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CITY OF TORONTO

TREASURY DEPARTMENT



Annual Report

OF THE

COMMISSIONER OF FINANCE

1948

AND

Summaries of the Activities of
Toronto Harbour Commissioners,
Toronto Hydro-Electric System and
Toronto Transportation Commission, etc.

(See Index—Page 3.)



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CITY OF TORONTO

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Toronto Hydro-Electric System and
Toronto Transportation Commission, etc.

(See Index—Page 3.)



CITY HALL
Erected 1899

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CITY OF TORONTO, 1948

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MEMBERS OF THE CITY COUNCIL—1948

MAYOR

HIRAM E. McCALLUM (a)

BOARD OF CONTROL

HIS WORSHIP THE MAYOR, Chairman

DAVID A. BALFOUR, Vice-Chairman

JOHN M. INNES, M.B.E. KENNETH B. McKELLAR EDWARD C. ROELOFSON (b)

ALDERMEN

WARD 1

LESLIE H. SAUNDERS
CHARLES A. WALTON

WARD 5

ARTHUR FROST
CHARLES SIMS

WARD 2

J. LOUIS SHANNON, K. C.
EVERETT L. WEAVER

WARD 6

GEORGE P. GRANELL
W. FRANK CLIFTON

WARD 3

HAROLD F. FISHLEIGH
ALLAN A. LAMPORT

WARD 7

CHARLES ROWNTREE (c)
WILLIAM C. DAVIDSON (d)

WARD 4

NATHAN PHILLIPS, K.C.
NORMAN FREED

WARD 8

WILLIAM H. COLLINGS
ROY S. MEALING

WARD 9

LEONARD M. REILLY
MELVILLE W. WILSON, K.C.

- (a) Elected Mayor by City Council, February 23rd, 1948. Vice Robert H. Saunders resigned.
- (b) Elected Controller by City Council, February 24th, 1948. Vice Hiram E. McCallum resigned.
- (c) Elected Alderman by City Council, January 19th, 1948. Vice William H. Butt, M.D. deceased.
- (d) Elected Alderman by City Council, March 1st, 1948. Vice Edward C. Roelofson resigned.

<u>HEADS OF DEPARTMENTS—1948</u> (Arranged in the order of entering Civic Service)		Entered Civic Service	Years in Civic Service	Appoint- ed Head of Dept.
W. J. LOVE.....	Commissioner of Parks and Recreation.....	1899	49	1947
M. A. STEWART, P. ENG.....	Commissioner of Works and City Engineer.....	1901	47	1947
H. S. RUPERT.....	Commissioner of Public Wel- fare.....	1904	44	1947
K. S. GILLIES, M.R.A.I.C.....	Commissioner of Buildings.....	1905	43	1932
PETER HERD.....	Chief of the Fire Department.....	1906	42	1947
G. D. BLAND.....	Property Commissioner.....	1909	39	1935
TRACY D. leMAY, O.L.S.....	City Surveyor.....	1910	38	1930
GEO. WEALE.....	City Clerk.....	1911	37	1948
S. C. SCOTT, F.C.A.....	City Auditor.....	1912	36	1919
G. A. LASCELLES.....	Commissioner of Finance and City Treasurer.....	1913	35	1941
G. P. JACKSON, M.B., D.P.H.....	Medical Officer of Health.....	1915	33	1929
H. D. BRADLEY.....	Street Commissioner.....	1916	32	1935
E. E. HUNT.....	Abattoir Commissioner.....	1916	32	1933
W. G. ANGUS, K.C.....	City Solicitor.....	1918	30	1943
JOHN CHISHOLM.....	Chief Constable.....	1920	28	1946
A. J. B. GRAY.....	Assessment Commissioner.....	1947	1	1947

CITY OF TORONTO
DEBENTURE DEBT, DECEMBER 31st, 1948

See Details of Debenture Debt, Pages 32 and 35

GROSS DEBENTURE DEBT:

Sinking Fund Debentures.....	\$2,641,300	
(Sinking Fund Reserve, \$3,121,889)		
Serial Instalment Debentures.....	62,267,082	\$64,908,382

DEDUCT:

**(1) SPECIALLY-RATED AND REVENUE-PRODUCING DEBTS
AS FOLLOWS:**

Toronto Transportation Commission (See Page 50).....	\$ 6,231,000	
Toronto Hydro-Electric System (See Page 48).....	2,420,000	
Waterworks (See Page 45).....	10,986,299	
Local Improvements (Ratepayers' Share).....	1,402,978	
Abattoir (See Page 44).....	29,000	
Airports—Municipal (See Page 47).....	609,000	
Canadian National Exhibition Buildings (See Page 42)...	3,675,200	
Royal Agricultural Winter Fair Buildings (See Page 43)...	205,000	
Housing Authority of Toronto (See Page 14).....	2,000,000	
	\$27,558,477	

Less:

Debt Redemption Funds on Above Debts:

Sinking Funds.....	\$1,427,734	
For Instalment Debt Redemption.....	284,399	1,712,133
		\$25,846,344

Supporting the Public Utility debts are plants, properties and equipment of value in excess of the debts outstanding.

(2) SINKING FUNDS (See page 39):

On General and Education Debt	\$ 1,016,572	
On Special Debts.....	1,427,734	*2,444,306

**(3) FUNDS ON HAND FOR INSTALMENT DEBT
REDEMPTION.....**

437,399 28,728,049

NET GENERAL AND EDUCATION DEBT..... **\$36,180,333**

The City owns lands and buildings of value in excess of Net General and Education Debt, in addition to taxing authority upon assessments totalling \$1,356,150,497.

*Exclusive of \$677,583 additional unapportioned.

ASSESSMENT, ETC.

Assessed Value of Rateable Property (1949).....	\$1,356,150,497
Exemptions not included in the foregoing.....	173,025,827
Revenue from general taxation, 1949 (net), as per Estimates, including estimated supplementary taxation.....	40,429,359
Revenue other than taxation, 1949, as per Estimates (including Provincial Government Highway subsidy and grants	12,416,196
Population, 1948.....	670,035
Area of City (Land and Water).....	25,966 acres
Tax Rate for 1949.....	30.50 mills

ANNUAL REPORT
of the
Commissioner of Finance
of the
City of Toronto
1948

Toronto, July 30th, 1949.

His Worship, Mayor H. E. McCallum
And Members of the Council of the City of Toronto.

Dear Sirs:

I beg to submit the Annual Report on the financial affairs of the Corporation of the City of Toronto for the year ended December 31st, 1948, including Balance Sheet as audited and certified by the City Auditor. In order to facilitate study of the information herein, particularly by persons not connected with the City administration, it may be of value to again outline briefly the scope of this Report, including comments as to the administrative organization within which City business as a whole is conducted.

The business of the City, from the standpoint of financial responsibility and reporting, is under the jurisdiction of three separately elected bodies, viz.: City Council, Board of Education and Separate School Board, and the following more or less independent Boards and Commissions: Toronto Electric Commissioners, Toronto Transportation Commission, Toronto Harbour Commissioners, Toronto Public Library Board, Canadian National Exhibition Association and Royal Agricultural Winter Fair Association (see pages 42 to 51 for further information).

As general obligation debentures of the City are issued to raise the capital requirements of the above bodies with the exception of the Separate School Board and the Toronto Harbour Commissioners (these two Boards issuing their own debentures), the respective outstanding debenture debts, sinking funds against these debts, and the corresponding permanent assets are included in the City's Balance Sheet. Principal and interest charges incidental to all City debenture debts are included in the City's expenditure statement with the exception of (a) those in respect of debt issued on account of the Toronto Hydro-Electric System and the Toronto Transportation System, which are wholly and specifically met by these respective enterprises and the operating results of which do not enter into the City's revenue and expenditure account, and (b) those in respect of debt issued for the ratepayers' share of local improvements, which are specially provided for by frontage assessment against the property-owners directly benefited.

Maintenance expenditures of the Board of Education, Separate School Board and the Public Library Board are included in the City's expenditure statement to the extent of the taxes levied on their behalf. In the case of the Toronto Harbour Commissioners, the debentures of which are guaranteed by the City, only the amounts met by the City each year by reason of such guarantee are included in the City's expenditure. The City maintains generally the grounds and buildings of the Canadian National Exhibition and of the Royal Agricultural Winter Fair Associations and only to this extent are the maintenance expenses of these services included in the City's expenditures. Under agreement, any operating surpluses of these associations are payable to the City.

It is evident, therefore, that current expenditures as reported herein represent those amounts which have been met by General and Education tax levies and all revenues other than taxation derived by the City. It should be pointed out that revenues and expenditures are accounted for on the accrual basis rather than on a cash basis, i.e., revenues for the fiscal year are recorded in the accounts as they are earned, rather than as received and expenditures as they are incurred, rather than as payment is made. The accrual basis of accounting gives an accurate presentation of both revenues and expenditures for the fiscal year, permitting a true comparison with those of other years, and provides the essential relationship between operating accounts and a proper Balance Sheet position at the end of the fiscal year. In this latter presentation there is exhibited, in clear and concise form, the financial position of the City, showing (1) the current assets, which are of a liquid or substantially liquid nature and which have arisen in the ordinary course of business, (2) the capital assets, which are of a fixed and permanent nature and have been acquired or constructed for continuing use, (3) the current liabilities, which require liquidation in the near future and have also arisen in the ordinary course of business, and therewith the current reserves, which have a direct bearing on the current assets and (4) the capital liabilities, which represent mostly debenture borrowings for permanently financing the capital assets and therewith the capital reserves, which have mainly arisen by reason of the annual provision for redemption of the debenture debt.

It may be noted that for some years capital assets for which debentures were issued have been carried in the Balance Sheet at an amount which represented original cost less the respective debenture debt redeemed. In the 1948 Balance Sheet, however, the permanent assets of the City, exclusive of outside Boards, are shown at original or appraised value to conform with the requirements of the Provincial Government for uniform reporting, with the result that a new item, viz.: City's Equity in Capital Assets, appears therein.

The Report has been prepared with a view to inviting examination of its contents, furnishing only sufficient detail to assure a proper understanding of the City's business and a true appraisal of its financial position.

SUMMARY OF YEAR'S BUSINESS, 1948

Expenditure		Revenue	
Common Welfare Services....	\$44,165,285	Taxation.....	\$36,426,093
Special Services.....	4,570,982	Ontario Government—	
		Subsidy (General).....	914,667
		“ (re Highways).....	901,664
		Special Services.....	5,260,936
		Miscellaneous Services.....	4,895,227
		Surplus brought forward	
		from 1947.....	337,680
	\$48,736,267		\$48,736,267

Special Services include—Waterworks (p. 45), Toronto Harbour Commissioners (p. 46), Canadian National Exhibition (p. 42), Royal Agricultural Winter Fair (p. 43), Municipal Abattoir (p. 44), Civic Airports (p. 47) and Housing Authority of Toronto (p. 14).

Tax Rate and Operating Result, 1948

The total tax rate for 1948 was 38.50 mills for Public School Supporters and 41.80 mills for Separate School Supporters, compared with 38.10 mills and 40.85 mills, respectively, in 1947. The composition of these rates was as follows:

<u>Levied for</u>	<u>Public School</u>		<u>Separate School</u>	
	<u>Supporters</u>		<u>Supporters</u>	
	Mills		Mills	
	1947	1948	1947	1948
General Purposes.....	26.70	26.60	26.70	26.60
Board of Education:				
Primary Schools.....	7.15	7.60	.....	.....
Secondary Schools.....	4.25	4.30	4.25	4.30
	11.40	11.90	4.25	4.30
Separate School Board:				
Primary Schools.....	.....	.....	9.90	10.90
Total Tax Rate.....	38.10	38.50	40.85	41.80

As the expenditures of the Board of Education, Separate School Board and Public Library Board included in the City's statement represent simply the taxes levied on their behalf, no surpluses or deficits on their account are reflected in the City's operating result which, accordingly, relates only to the general tax rate. From the foregoing Summary of Year's Business it will be observed that no surplus or deficit was carried forward from 1948 operations. In this connection, however, it should be noted that due to the fact that revenue for the year was \$1,454,019 in excess of the amount anticipated at the time of the adoption of the Estimates (chiefly on account of taxation, exchange discount on payment of debenture principal and interest in London, England, City's share of liquor licenses, and waterworks operation) it was possible to provide in the year for the following items of expenditure which otherwise would have become a charge in 1949 or subsequent years:

- (a) Balance on account of 1946 and 1947 Hospital Deficits re Indigent Patients—\$771,354 less appropriation of \$125,000..... \$646,354
- (b) Additional cost over estimate of re-assessment (\$223,000 of this amount was anticipated as a deferred charge to be met in 1949 when 1948 Budget was adopted)..... 432,110
- (c) Additional cost over estimate of Statutory Welfare Services (chiefly on account of Hospital Care of Indigent Patients and Children's Aid)..... 185,251
- (d) New automotive equipment for Street Cleaning Department..... 128,799
- (e) On account of \$2,000,000 grant to University of Toronto building programme..... 38,864

Current Expenditures (See Statements—Pages 27 and 28)

The following statement permits a broad comparison of the City's current expenditures in 1948 with those in the previous year and in 1943.

Particulars	Current Expenditures			Decrease (D) or Increase (I) 1948 compared with	
	1943	1947	1948	1943	1947
General:					
Maintenance					
Ordinary.....	\$13,932,931	\$22,959,343	\$25,402,882	\$11,469,951 I	\$2,443,539 I
Statutory-Welfare	1,043,524	1,561,880	1,883,391	839,867 I	321,511 I
Direct Relief.....	807,548	882,939	1,000,445	192,897 I	117,506 I
Debt Charges					
Ordinary.....	4,263,831	3,929,953	4,005,093	258,738D	75,140 I
Direct Relief.....	616,159	.....	.....	616,159D	.....
Special Services:					
Maintenance.....	2,447,749	2,575,214	2,743,266	295,517 I	168,052 I
Debt Charges.....	2,297,226	2,005,005	1,827,716	469,510D	177,289D
	\$25,408,968	\$33,914,334	\$36,862,793	\$11,453,825 I	\$2,948,459 I
Education:					
Maintenance.....	9,237,220	9,624,122	10,495,750	1,258,530 I	871,628 I
Debt Charges.....	1,846,574	1,499,521	1,377,724	468,850 D	121,797D
Total.....	\$36,492,762	\$45,037,977	\$48,736,267	\$12,243,505 I	\$3,698,290 I

It will be observed that current expenditures in 1948 were \$12,243,505 in excess of those of 1943 and \$3,698,290 over those of 1947. Upon analysis it will be found that an increase in maintenance expenditures of \$14,056,762 over those of 1943 was offset to the extent of \$1,813,257 by decreased debt charges and that \$3,922,236 of the increase in maintenance was experienced in the one year, 1948. Since, however, the expenditures of the Board of Education and the Separate School Board included therein represent the net amount to be raised by taxation, the increased educational grants received by these Boards from the Provincial Government in 1947 and 1948 require particular mention in this regard. These grants in 1948 amounted to \$3,579,834 as compared with \$3,522,624 in 1947 and \$609,173 in 1943. It is apparent then, upon reference to the above statement, that Education maintenance in 1948, before deduction of these grants, was \$4,229,191 above that of 1943 and \$928,838 above that of 1947. Current expenditures in 1948, exclusive of Education, it will be seen from the above statement, were \$11,453,825 above those of 1943 and \$2,948,459 over those of 1947. Again upon further analysis, it will be noted that increased maintenance of \$12,798,232 as compared with 1943, was offset to the extent of \$1,344,407 by decreased debt charges. Furthermore, the increase of \$12,798,232 in maintenance was to the extent of \$3,050,608 due to increased maintenance in 1948.

Expenditures during the past six years are classified on a functional and departmental basis on pages 27 and 28 respectively of this Report. Upon reference thereto it will be noted that:

Current Expenditures (Continued)

- (a) The largest maintenance increase since 1943, viz. \$3,275,254, was on account of Protection services.

Some of the major items in this increase are as follows:

	<u>Increase</u>
Police Department.....	\$1,360,177
Fire Department.....	1,157,250
Police and Firemen's Benefit Funds (see 1947 Report for revised basis of City's contribution).....	299,481
Buildings Department.....	116,732

- (b) Maintenance costs of Social Services in 1948 were \$2,347,077 above 1943. The following items are of particular interest in this regard:

	<u>Increase</u>
Statutory—	
Children's Aid Societies.....	\$382,499
Hospital Care of Indigent Patients.....	315,813
Indigent Tuberculosis Patients (care after discharge from sanatoria).....	123,929
Training Schools, etc.....	17,626
	\$ 839,867
Paid in 1948 on account of 1946 and 1947 Hospital Deficits re Indigent Patients (\$314,079 paid in 1947 on account of 1945).....	771,354
Cost in 1948 re Day Nurseries and Day Care Centres, instituted in 1946.....	220,859
Direct Relief (City's Share).....	192,897

- (c) The cost of providing Sanitation and Drainage services has increased by \$1,401,338 (exclusive of an increase of \$175,245 in debt charges due chiefly to debenturing on account of the new Ashbridge's Bay Sewage Treatment Plant). In this connection it may be noted that the maintenance expenditures of the Street Cleaning Department (exclusive of the costs of Snow Clearing and Cidering classified under Highways) have increased by \$1,288,677 of which \$128,799 is accounted for by provision in 1948 for new automotive equipment.
- (d) Maintenance costs of Highways have increased by \$1,183,692. Of this amount \$305,004 is on account of Snow Clearing and Cidering, \$157,774 on account of Public Lighting and \$99,573 with respect to roads outside the City. The 1948 expenditure includes \$226,014 highway construction costs recovered from the Provincial Government by way of subsidy with the result that the total increase is inflated to this extent.
- (e) Expenditure for Parks and Recreation Services has increased by \$847,358 of which \$218,134 represents the cost in 1948 of operating Community Centres, a new service since 1943.
- (f) The cost of Health services has increased by \$598,997. This increase has been chiefly on account of Medical, Dental and Quarantine services, Public Health Nursing, Sanitation Services, Food Control and Isolation Hospital.
- (g) General Administration required \$1,631,450 more in 1948 than in 1943, of which \$821,416 was for the Assessment Department. In this connection it should be noted that the increase in City revenues in 1948 over the amount anticipated when the budget was adopted permitted the meeting of the full costs of 1948 with respect to the new City-wide reassessment instead of carrying forward a portion thereof as a charge in 1949 which was originally intended. Other items included are: Treasury Department (exclusive of Waterworks Revenue Division), an increase of \$241,756

Current Expenditures (Continued)

of which \$153,374 is due to the assumption since 1943 of new duties, viz., Central Purchasing and Stores administration and all Real Estate transactions.
City Clerk's Department—an increase of \$127,526 of which \$38,100 is on account of Personnel Division, new since 1943.

- (h) Miscellaneous Maintenance expenditures increased by \$1,038,472 of which the cost of Emergency Housing in 1948 (new since 1943) viz. \$858,283 is the chief item. It may be noted also that Miscellaneous debt charges were \$681,962 larger in 1948 than in 1943. This increase is due to debenturing in 1943 of certain lands acquired for improvement works and in 1947 for the past service liability with respect to Civic Employees Pension Plan. (See 1947 Report.)

Current Revenues (See Statement—Page 29)

Total current revenues in 1948 amounted to \$48,398,587 of which \$36,426,093, or about 75% was derived from taxation. The balance was derived chiefly from water rates; rentals of City properties; court fines and fees; license, permit and inspection fees; sterling discount on payment of debenture principal and interest; Canadian National Exhibition; Municipal Abattoir; and Ontario Government grants (exclusive of educational grants—paid directly to respective boards).

A summary comparison of 1948 revenues with those of 1947 and 1943 is shown in the following statement.

Source	Current Revenues			Decrease (D) or Increase (I) 1948 compared with	
	1943	1947	1948	1943	1947
Taxation.....	\$28,728,126	\$35,327,093	\$36,426,093	\$7,697,967 I	\$1,099,000 I
Ontario Government Subsidy (General)	885,283	896,678	914,667	29,384 I	17,989 I
Ontario Government Subsidy (re Highways).....		891,693	901,664	901,664 I	9,971 I
General—Licenses, Rentals, etc.....	1,760,656	3,065,460	4,895,227	3,134,571 I	1,829,767 I
Special Services.....	4,368,011	5,176,266	5,260,936	892,925 I	84,670 I
Total Current Revenue.....	\$35,742,076	\$45,357,190	\$48,398,587	\$12,656,511 I	\$3,041,397 I
Add: Surplus available from previous year	+ 927,353	+ 18,467	+ 337,680	589,673D	319,213 I
Total.....	\$36,669,429	\$45,375,657	\$48,736,267	\$12,066,838 I	\$3,360,610 I
Reconciliation with Current Expenditures					
Deduct: Surplus available to following year.....	— 176,667	— 337,680	.....	.....	.....
	\$36,492,762	\$45,037,977	\$48,736,267	.....	.....

As the amount levied by taxation in any year represents the balance of funds required to meet expenditures after application of all revenues other than taxation, it is obvious that the taxation revenue in each of the years compared herein reflects not only the changes in expenditures in those years but also all changes in the respective revenue items other than taxation shown in this statement, as well as in the Provincial Government educational grants received by the Board of Education and the Separate School Board commented upon previously in this report. (Page 10.)

Current Revenues (Continued)

From the foregoing statement it will be observed that in each of the years 1947 and 1948 the City received a subsidy of approximately \$900,000 from the Ontario Government on account of highway maintenance and certain approved construction costs. This subsidy, initiated in 1947, is on the basis of one-half of such expenditures but limited, however, to an amount equivalent to one mill on the General Assessment. The amounts received in 1947 and 1948 represent the one mill maximum for those years. It is of interest to note in this connection that in 1949 the basis of assistance on highways account has been revised to one-third of such expenditures without the one mill limit on the subsidy.

General revenues other than taxation in 1948 were larger by \$3,134,571 than in 1943 and by \$1,829,767 than in 1947. The following revenue items contributed chiefly to these increases:

	1943	1947	1948
Police Court Fines and Fees.....	\$273,370	\$737,719	\$868,445
Sterling Discount in excess of U.S. Premium on payment of debenture principal and interest		70,095	779,060
Rentals from Emergency Housing.....		370,582	528,573
Liquor License Fees (i.e. received on account from Ontario Government).....	83,764	142,202	409,107*
Proceeds from sales of lands acquired through non-payment of taxes.....		170,651	167,053
Waterworks:			
Payment in lieu of taxes.....			140,807
Administration.....			91,433
Toronto Hydro-Electric System:			
Profit on Municipal Services (Power Ac- count).....		20,718	5,806
Payment in lieu of taxes.....		134,798	140,807

*includes \$124,721 re 1947.

Special Services revenues in 1948 were to the extent of approximately 88% derived from operation of the Waterworks System, the revenue of which in 1948 amounted to \$4,645,716 as compared with \$4,533,098 in 1947 and \$3,880,859 in 1943.

Net Operating Results of Special Services (See Pages 42 to 47)

The following statement gives the net operating results (including debt charges) of Special Services in 1948, as compared with the previous year and with 1943.

Special Services	Net Surplus (S) or Deficit (D)		
	1943	1947	1948
Abattoir.....	\$ 26,003S	\$ 36,228D	\$ 55,820S
Airports.....	46,020D	88,595D	89,279D
Canadian National Exhibition.....	}* 137,372D	82,046S	39,162S
Royal Agricultural Winter Fair.....		115,208D	104,648D
Housing Authority of Toronto.....		5,000D	54,427D
Island Ferry Service.....	73,648D	135,000D	
Toronto Harbour Commissioners.....	754,309D	214,484D	208,057D
Waterworks	608,382S	1,083,537S	1,051,384S
Net Operating Result.....	\$ 376,964D	\$ 571,068S	\$ 689,955S

* Buildings and Grounds were occupied by the Armed Forces during the war. A final payment in 1947 of \$24,978, not included above, was received from the Department of National Defence re maintenance in years prior to 1947.

Net Operating Results of Special Services (Continued)

The improvement in the aggregate operating results of special services from a net deficit of \$376,964 in 1943 to a net surplus of \$689,955 in 1948 is largely accounted for by increased revenues during the period. Though maintenance costs increased by \$295,517 debenture debt charges (principal and interest) decreased by \$469,510.

Certain particular factors may be noted in considering these results:

- (a) The improved operating result of the Municipal Abattoir upon comparison with 1947 is accounted for by the fact that 1947 expenditures included \$91,579 for special renovations and improvements, whereas no such comparable expenditure was made in 1948.
- (b) Though the operating surplus received from Canadian National Exhibition operations was slightly smaller than in 1947 the main factor in the reduction of surplus as compared to 1947 was increased maintenance expenditures with respect to buildings.
- (c) In 1947 the City established The Housing Authority of Toronto, to which was entrusted the construction and operation of the Regent Park Housing Project (North Plan), a slum clearance or low rental undertaking. In December of that year the City issued \$2,000,000 30-year serial instalment debentures to finance in part the cost of this project and the 1948 increase in deficit, indicated in the foregoing statement, is due entirely to the respective debt charges.
- (d) While the Island Ferry Service, since acquisition by the City in 1927, has been operated by the Toronto Transportation Commission, the City up until 1948 was responsible for all respective financial obligations. In 1948, however, the City by agreement transferred the ownership of the physical assets of this service (exclusive of wharf properties) to the Commission which accordingly assumed all financial responsibility with respect thereto. A cost in 1948 of \$32,997 for certain dock rentals and repairs was met by the City and is included in general expenditures.
- (e) The deficit with respect to the Harbour Commissioners represents the net amount required under the City's guarantee of Harbour debenture debt. Though the total annual debt charges in 1948 were slightly less than in 1943 the main factor in the reduction of the amount required from the City was an increase in Harbour receipts available to meet these debt charges.
- (f) Revenue from operation of the Waterworks System in 1948 was \$764,857 in excess of that in 1943. Though an increase in maintenance costs of \$714,384 was offset to the extent of \$392,529 by reduced debt charges, total expenditures in 1948 were \$321,855 larger than in 1943.

Tax Collections

Upon examination of the following statement it will be noted that although collections on account of the 1948 current tax levy were \$769,045 larger than in 1947, the percentage which those collections represent of the amount levied is nine-tenths of one percent lower than in 1947. In this connection it should be pointed out that several abnormal factors adversely affected collections in 1948. The chief of these was the fact that the personnel of the Assessment Department were required to devote all their efforts toward completing the new City-wide re-assessment, with the result that many accounts remained unpaid at the end of the year awaiting decisions on certain questions involved. If allowance were made for these abnormal factors the percentage collected in 1948 would be only about one-quarter of one percent lower than in 1947.

TAX LEVIES AND COLLECTIONS 1933-1948

Fiscal Year ended Dec. 31st	Current Levy (including Special Rates)	Collected or Credited on account of Current Levy		Collected or Credited on Ac- count of Prior Years' Tax Levies	Total Collected or Credited		Accumulated Delinquent Taxes as at Dec. 31st	
		Amount	%		Amount	% of Cur- rent Levy	Amount	% of Cur- rent Levy
	\$	\$		\$	\$		\$	
1933	36,378,545	28,138,143	77.3	6,309,152	34,447,295	94.7	12,065,416	33.2
1934	34,903,843	27,479,626	78.7	8,025,908	35,505,534	101.7	11,463,725	32.8
1935	35,521,338	29,190,281	82.2	7,746,393	36,936,674	104.0	10,048,389	28.3
1936	34,618,721	29,075,585	84.0	6,707,321	35,782,906	103.4	8,884,204	25.7
1937	35,215,926	30,072,685	85.4	6,258,968	36,331,653	103.2	7,768,477	22.1
1938	35,269,096	30,572,091	86.7	5,522,983	36,095,074	102.3	6,942,499	19.7
1939	33,846,017	29,911,824	88.4	4,865,757	34,777,581	102.8	6,010,935	17.8
1940	33,688,004	30,177,973	89.6	4,352,399	34,530,372	102.5	5,168,567	15.3
1941	32,375,127	29,794,320	92.0	3,855,168	33,649,488	103.9	3,894,206	12.0
1942	30,497,084	28,589,045	93.7	2,831,193	31,420,238	103.0	2,971,052	9.7
1943	29,635,942	28,187,980	95.1	2,093,567	30,281,547	102.2	2,325,447	7.8
1944	30,492,375	29,232,661	95.9	1,740,698	30,973,359	101.6	1,844,463	6.0
1945	28,696,431	27,654,723	96.4	1,374,632	29,029,355	101.2	1,511,539	5.3
1946	31,225,828	29,987,585	96.0	1,098,160	31,085,745	99.6	1,651,622	5.3
1947	35,430,929	34,091,174	96.2	1,222,677	35,313,851	99.7	1,768,700	5.0
1948	36,569,520	34,860,219	95.3	1,248,078	36,108,297	98.7	2,229,923	6.1

Debenture Debt and Redemption Funds (See Statements—Pages 32 to 40)

Gross Debenture Debt as at December 31st, 1948, amounted to \$64,908,382, which compares with \$83,244,259 at the end of 1945 (i.e. after World War II), \$195,064,861 the peak debt of the City at the end of 1932 and \$104,116,152 at the end of 1918 (i.e. after World War I). The decreases indicated by these figures are particularly impressive when consideration is given to the large amount of new debenture financing which has been carried out during the past thirty year period. The following statement is of interest in this regard:

Years	Debentures Issued	Debentures Redeemed
1919-1932	\$202,798,563	\$111,849,854
1933-1945.....	40,729,809	152,550,411
1946-1948.....	22,762,596	41,098,473
	\$266,290,968	\$305,498,738

It is worthy of note that \$50,964,612 of the total redemptions of \$305,498,738 since 1918 represents debentures purchased by the Sinking Fund and subsequently cancelled before maturity by the application of additional earnings (i.e. over actuarial requirements) together with the respective actuarial accumulations and unrequired capital funds.

Debenture Debt and Redemption Funds (Continued)

The total debenture debt of \$64,908,382 at the end of 1948 was made up as follows:

General Services (i.e., Highways, Sewage System, Parks, Hospital Building Grants, City Buildings, etc.).....	\$29,674,905
School Buildings (Board of Education).....	7,675,000

Special Services:

Hydro-Electric and Transportation systems (self-sustaining—operated by separate commissions).....	\$ 8,651,000
Waterworks, Canadian National Exhibition and Municipal Abattoir (in 1948 City derived a net revenue over all operating costs including debt charges with respect to each).....	14,690,499
Housing Authority, Municipal Airports, Royal Agricultural Winter Fair.....	2,814,000
Local Improvements—Ratepayers' Share (specially-rated).....	1,402,978
	<hr/> 27,558,477
	<hr/> \$64,908,382

During the year 1948 new debentures to the amount of \$13,192,679 were issued, but as redemptions in the year amounted to \$19,276,192 there was a net decrease in outstanding debenture debt of \$6,083,513. Of the total amount of debentures paid in the year, \$11,862,033 were straight term debentures (due July 1st) for the redemption of which Sinking Funds had been accumulated. The provision of these funds in cash involved considerable liquidation of security holdings of the Sinking Fund. In the latter part of 1947 and early 1948 approximately \$8,761,000 of investments were sold and securities of 1948 maturity purchased in exchange, chiefly in order to avoid the risk of a lower market with respect to longer term bonds but also, to some extent, in order to take advantage of the high prices obtainable in Canada for certain bonds payable in U.S. funds. In view of the subsequent actual reduction in bond prices these transactions are estimated to have increased the assets of the Sinking Fund by approximately \$310,000.

Upon reference to page 39 it will be observed that after providing the full amount required for the 1948 redemption of Sinking Fund Plan Debentures, the assets of the Fund at the end of the year amounted to \$3,121,890 against only \$2,641,300 unmatured Sinking Fund Plan Debentures due in 1949, 1953 and 1955. It may also be pointed out that since the end of 1948 full cash funds have been provided for the payment of the 1949 maturity (January and July) of \$1,208,300 Sinking Fund Plan Debentures and that after making such provision, investments to a par value of \$1,978,609 were still held in the Fund and uninvested cash amounted to \$74,423.

Capital Authorizations Affecting General Taxation

Capital improvements during a period of about twelve years, i.e., during the Depression and the War, were restricted to minimum requirements. The increased authorizations during the past five years, as indicated in the following statement, must be considered to a large extent, therefore, as the accumulation of many works which under normal conditions probably would have been authorized and proceeded with during the previous twelve years.

CAPITAL AUTHORIZATIONS 1938-1948 AFFECTING GENERAL TAXATION

(Exclusive of Toronto Hydro-Electric System, Toronto Transportation Commission and Ratepayers' Share of Local Improvements)

Year	General Works	Schools	Direct Unemployment Relief	Total
	City's Share Local Improvements, Bridges, Parks, etc.		City's Share of Expenditure—Funded (See page 37)	
1938	\$ 304,356	\$479,000	\$1,603,856	\$2,387,212
1939	383,459	283,000	1,218,277	1,884,736
1940	(a) 5,825,000	.....	(b) 250,000	6,075,000
1941	239,390	.....	.....	239,390
1942	287,010	.....	.....	287,010
1943	(c) 40,078	.....	.....	40,078
1944	1,192,595	438,369	.....	1,630,964
1945	3,585,382	230,340	.....	3,815,722
1946	(d) 11,663,645	402,291	.....	12,065,936
1947	(e) 17,348,414	2,526,931	.....	19,875,345
1948	(f) 8,453,488	299,000	.....	8,752,488
Total	\$49,322,817	\$4,658,931	\$3,072,133	\$57,053,881

(a) Includes \$5,600,000 for Sewage Treatment Plant, Ashbridge's Bay, approved by direct vote of City property-owners (Additional \$3,568,000 authorized in 1949).

(b) Excludes \$19,295 intended to be funded but transferred to Current Account and provided for in 1943 Tax Rate.

(c) Excludes \$1,457,308 authorized in 1943 for debenturing of excess land acquired in past years in connection with various general and local improvement works.
Excludes \$5,000,000 debentures issued in February, 1947, on account of past service liability of Civic Employees' Pension Plan established in 1943.

(d) Includes \$2,259,606 for Don Valley Roadway and \$2,857,237 (after Ontario Government subsidy, 1947 and 1948) for Clifton Road Subway and Extension (former and subway re latter approved by direct vote of City property-owners).

(e) Includes \$5,900,000 for Regent Park Housing Project (North Plan) and \$2,000,000 for a New Civic Square approved by direct vote of City property-owners.

(f) Includes Spadina Ave., Cres., and Rd. widening etc. approved at cost of \$3,000,000 by direct vote of City property-owners.

In 1949 a further amount of \$16,378,393 has been authorized for capital works. After deduction of amounts raised by the issuance in June, 1949, of \$10,192,610 debentures, the amount of present capital authorizations for which future debenturing will be required amounts to \$37,165,272. The following summary indicates the nature of the undertaking included therein:

Capital Authorizations Affecting General Taxation (Continued)

Pavement widenings, gradings, sewers, etc.;

Clifton Road:

Subway and approaches and extension to Jarvis Street.....	\$3,200,922
Less—\$1,500,000 debentured and \$343,685 applied out of Ontario Government Subsidy re Highways	1,843,685
	<hr/> \$1,357,237
Extension to MacLennan Avenue.....	61,302
Crescent Road—Bridge, etc.....	430,610
	<hr/> \$1,849,149

Don Valley Roadway.....	\$2,259,606
Less—Debentured.....	1,500,000

759,606

Don Valley Roadway and Clifton Road con- nection with Mount Pleasant Road at Merton Street.....	371,960
	<hr/> 1,131,566

Grade Separations (City's Share):

Subway—Dupont Street (formerly Royce Avenue).....	\$ 408,750
Subway—Jones Avenue.....	450,000
	<hr/> 858,750

Mount Pleasant Road:

Merton Street to Eglinton Avenue.....	\$ 649,871
Moore Avenue to St. Clair Avenue— extension of Mount Pleasant Road to the intersection of Clifton Road and Inglewood Drive.....	535,087
	<hr/> 1,184,958

St. George Street—extension to connect with Russel Hill Road.....	3,283,821
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Spadina Avenue, Road and Crescent— Fleet Street to St. Clair Avenue.....	\$3,000,000
Less—Debentured.....	169,124
	<hr/> 2,830,876

Sundry—Dufferin Street, Queen's Park, Duplex Avenue and Jedburgh Road, Eastern Avenue, Dupont Street, Sorauren Avenue, Gerrard Street, Bathurst Street, Lakeshore Blvd., Hoskin Avenue, etc.....	4,721,109
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\$15,860,229

Board of Education—School additions, etc.....	5,164,250
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Housing Authority of Toronto—Regent Park:

Housing Project (North Plan).....	\$5,900,000
Less—Debentured.....	2,000,000
	<hr/> 3,900,000

Carried Forward.....	<hr/> \$24,924,479
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Capital Authorizations Affecting General Taxation (Continued)

Brought Forward.....		\$24,924,479
Parks and Recreation:		
Island Shore Protection.....	\$ 314,500	
Keating Street Playfield.....	276,954	
Campbell Avenue Playfield.....	143,930	
Moss Park Playground Centre.....	400,000	
East Riverdale Playground Centre.....	150,000	
North Toronto Memorial Gardens.....	100,000	
Willowvale Park—Swimming Pool.....	220,000	
Sundry land acquisitions, fieldhouses, Island Regatta Course, etc.....	804,894	
		2,410,278
Grants:		
St. John's Convalescent Hospital.....	\$ 200,000	
Toronto Western Hospital.....	150,000	
University of Toronto (\$38,864 met as current, 1948)....	2,000,000	
		2,350,000
Sewage Treatment Plant—Ashbridge's Bay	\$9,168,000	
Less—Debentured.....	7,000,000	
		2,168,000
Waterworks:		
Island—Watermains.....	\$ 523,996	
North Toronto Water Supply—42-inch main.....	1,440,757	
Pump—10 M.G.D.....	34,750	
		1,999,503
Canadian National Exhibition:		
New Grand Stand.....	\$3,400,000	
Less—Debentured.....	3,000,000	
		\$ 400,000
Building Improvements.....	\$ 353,420	
Less—Debentured.....	200,000	
		153,420
Sewers.....	197,000	
		750,420
Traffic Control Signals.....	\$ 600,000	
Less—Debentured.....	300,000	
		300,000
Removal of Poles and Overhead Wires on Streets.....		290,000
Local Improvements—City's Share.....		423,519
Public Library Buildings.....		558,000
Toronto and York Roads—City's Share.....		258,133
New Street Name Signs.....		243,490
Sundry—Acquisitions of properties, building improvements, equipment, etc.....		489,450
		\$37,165,272

Capital Authorizations Affecting General Taxation (Continued)

The debenturing of the foregoing capital authorizations on the basis of 5, 10, 20 and 30 year repayment periods (i.e., according to the purpose of each expenditure) would involve an aggregate annual cost for principal and interest of approximately \$3,647,000, made up as follows:

<u>Capital Amount Authorized</u>	<u>Term for Repayment of Debentures</u>	<u>Approximate Annual Cost (Principal and Interest)</u>
\$ 3,385,228.....	5 years	\$ 729,000
14,535,627.....	10 years	1,682,000
15,344,417.....	20 years	1,031,000
3,900,000.....	30 years	205,000
<hr/> \$37,165,272		<hr/> \$3,647,000
<hr/>		<hr/>

In view of the fact that during the next nine years the aggregate reduction in annual debt charges with respect to present existing debenture debt will amount to approximately \$3,900,000, the financing of this capital programme becomes a matter largely of budgeting expenditures on account thereof in such manner that the respective annual debt charges in any intermediate year will not become unduly burdensome. This matter, though considered to some extent in May, 1948, was more comprehensively studied in the latter part of the year, with the result that an order of priority as to the commencement of all capital works then authorized but not under construction was established. Furthermore, it was decided that no consideration of any proposed new capital work would be given by the Board of Control until a report had been received from myself as to the annual debt charges involved and the effect of adding same to the future annual charges indicated with respect to existing debt and capital works already authorized but yet to be debentured.

The future development of the City from a longer term viewpoint will, of course, demand further large expenditures for permanent improvements and, in recognition of this fact, a report is now being prepared on probable requirements during the next thirty years, with a view to establishing priorities for construction and budgeting the respective expenditures within the ability of the City to finance and pay for such improvements.

In May of this year \$10,186,000, 2½%, 2¾% and 3% serial instalment debentures were sold at a price of 101.09, representing an average interest cost of only 2.62% per annum. The low interest cost to the City of the funds raised by this issue provides tangible evidence of the high regard held by private and institutional investors of the City's present financial position and of their confidence that the sound financial practices of the past will be continued in the future.

An important contributing factor in ensuring a continuance of this confidence would be the adoption by City Council of a long-term budget of capital expenditures, with due regard to all other financial obligations of the City and general economic conditions.

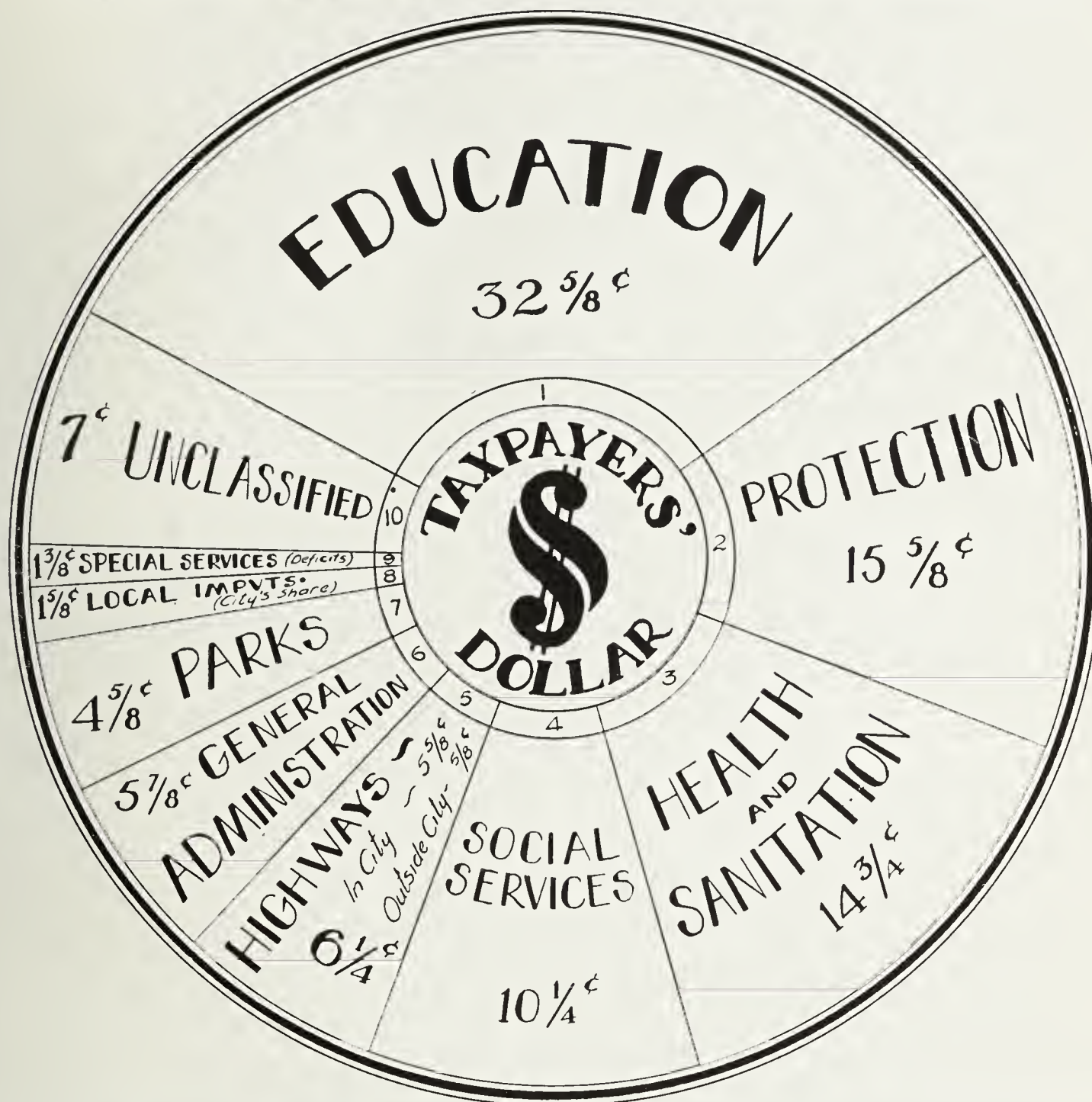
Respectfully submitted,



COMMISSIONER OF FINANCE.

How each \$1.00 of Revenue from General Taxation was Expended in 1948

(Exclusive of Amount Raised by Taxation for Owners' Portion of Cost of Local Improvements)

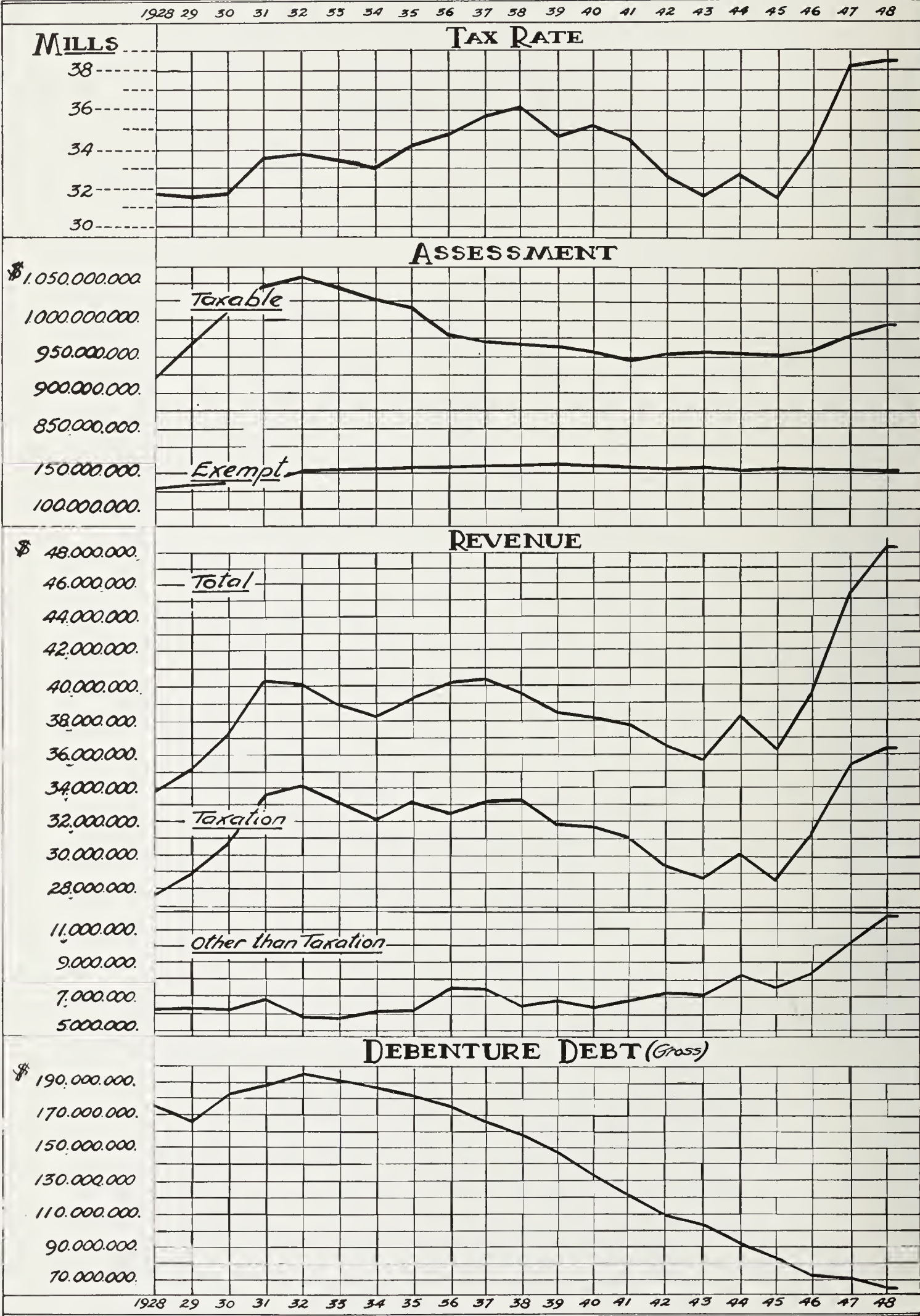


EXPENDITURE OF THE TAXPAYERS' DOLLAR, 1947 AND 1948

(Covering Maintenance and Debt Charges)

		1947	1948
(1) Education.....	Public, Separate, High, Commercial and Technical Schools (after deduction of Provincial Government Grants).....	\$0.31 ³ / ₈	\$0.32 ⁵ / ₈
(2) Protection.....	Police, Courts, Jail, Fire, Registry Office, Life Saving, Safety of Buildings.....	.15 ¹ / ₂	.15 ⁵ / ₈
(3) Health and Sanitation.....	Public Health Services, Isolation Hospital, Street Cleaning, Collection and Disposal of Garbage, Sewers.....	.15 ¹ / ₄	.14 ³ / ₄
(4) Social Services	Direct Relief, Charitable and Institutional Grants, Hospitalization, etc.....	.11 ⁵ / ₈	.10 ¹ / ₄
(5) Highways.....	Roadways, Bridges, Snow Clearing, Cidering, Public Lighting and Suburban Roads (after deduction of Prov. Govt. subsidy re Highways).....	.06 ³ / ₈	.06 ¹ / ₄
(6) General Administration.....	City Council, City Clerk's, Assessment, Legal, Audit, Planning, Treasury, Property (General, City Hall etc.) Departments.....	.04 ³ / ₈	.05 ⁷ / ₈
(7) Parks and Recreation.....	Maintenance and Debt Charges re Parks.....	.04 ⁷ / ₈	.04 ⁵ / ₈
(8) Local Impvts. City's Share.....	Debt Charges only.....	.01 ⁵ / ₈	.01 ⁵ / ₈
(9) Special Services (Deficits)	Harbour Commissioners re Guaranteed Debt, Royal Winter Fair, Island Ferry Service (1947 only), Civic Airports, Housing Authority .....	.01 ¹ / ₂	.01 ³ / ₈
(10) Unclassified.....	Emergency Housing, Libraries, Employees' Pensions, etc., and sundry unclassified debt charges.....	.07 ¹ / ₂	.07
		\$1.00	\$1.00

TREND of CITY of TORONTO TAX RATE, ASSESSMENT, REVENUE & DEBENTURE DEBT. 1928-1948



~ See Notes on Next Page ~

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NOTES RE GRAPHS ON PREVIOUS PAGE

- A. The Tax Rates charted are the total mill rates levied against Public School Supporters for general and school purposes.
- B. In 1936 the statutory authority of municipalities to tax the income of persons and personal corporations, which became taxable by the Province under The Income Tax Act of Ontario, 1936, was abolished. Furthermore, in 1944 the statutory authority to tax certain corporation income, retained in 1936, was suspended for the duration of the War under Dominion-Provincial agreement and repealed entirely under the Assessment Amendment Act, 1947.
- As the City's total taxable assessment in 1935 included \$35,269,406 income assessment of persons and personal corporations and in 1943 included \$6,667,317 Corporation income assessment, 85% of the reduction in 1936 and considerably more than the whole reduction in 1944 was attributable to loss of authority to tax such income. Against the resultant loss of tax revenue the City has received from the Provincial Government the following amounts, which are included in Revenue Other Than Taxation charted on the previous page:
- (a) 1936—\$1,207,152 (reimbursement to extent of taxation on incomes of persons and personal corporations levied in 1935).
- (b) General Subsidies:
- | | |
|-------------------|--|
| 1937 — \$ 902,700 | 1944 — \$1,758,418 (one-half to reduce |
| 1938 — 898,797 | taxation for educational purposes) |
| 1939 — 1,343,475 | and \$ 150,000 re loss of authority to |
| 1940 — 883,800 | tax certain Corporation Income. |
| 1941 — 876,934 | 1945 — 876,758 |
| 1942 — 876,934 | 1946 — 881,395 |
| 1943 — 885,283 | 1947 — 896,678 |
| | 1948 — 914,667 |
- (c) Subsidy re Highways—1947—\$891,693; 1948—\$901,664.
- C. The inauguration of the Provincial Government's new policy of increased educational grants was a major factor in the 1945 Tax Rate and Revenue reductions indicated in the respective graphs and it is suggested, therefore, that page 10 of this Report be referred to for information in this regard.
- D. The reduction in 1938 in Revenue Other Than Taxation, to the extent of about 96% thereof, is due to a reduced water charge for Fire Protection resulting from a change made in the basis of the charge. While Waterworks revenue and the surplus available for general City purposes was reduced, the expenditure for Fire Protection was correspondingly reduced with, therefore, no effect on the revenue required to be raised by taxation.
- E. Debenture Debt (Gross), charted on the previous page, is the **total** City debenture debt outstanding as at December 31st of each of the years indicated and includes debt with respect to general purposes (Highways, Sewage System, Parks, City's Share of Local Improvements, Hospital Building Grants, etc.), school purposes (Board of Education), revenue-producing services (Hydro-Electric System, Transportation Commission and Waterworks, all self-sustaining, and Abattoir, Airports, Canadian National Exhibition Buildings, Royal Agricultural Winter Fair Buildings, Island Ferry Service—assumed by T.T.C. in 1948 and Housing Authority of Toronto—1948 only) and specially-rated portion of Local Improvements.
- It may also be noted that the debt charted is before deduction of Sinking Funds and Instalment Debt Redemption Funds held.

Balance Sheet of the CITY OF

<u>ASSETS</u>		
<u>CURRENT:</u>		
Cash in banks and on hand.....		\$ 731,579.84
Taxes due and unpaid.....	\$ 2,229,923.31	
Less: Reserve thereagainst.....	450,909.70	1,779,013.61
Accounts Receivable—		
General (Less: Reserve—\$8,000.00)	\$ 1,663,840.11	
City properties sold.....	376,488.50	
Tax sale lands resold.....	134,515.56	2,174,844.17
Stores on hand (Less: Reserve—\$12,782.24).....		741,238.33
Lands Acquired at Tax Sales—		
Subject to redemption.....	\$ 1,449.16	
Deeded to the City.....	386,436.33	387,885.49
Revenue Accrued.....		835,182.53
Deferred Charges—		
Unexpired insurance premiums, etc.....		143,237.73
 <u>CAPITAL:</u>		
Lands, buildings, streets and sewers, plant and equipment, furniture and fixtures.....	\$112,413,851.87	
Capital expenditures in progress—		
Financed.....	22,598,496.82	
To be financed.....	4,754,271.40	139,766,620.09
Receivable for Debentures Issued—		
From Board of Education, public utilities, etc. \$	19,178,000.00	
Less: Unexpended debenture funds.....	1,650,497.49	17,527,502.51
Local Improvements—		
City's Share.....	\$ 15,578,145.83	
Ratepayers' Share.....	14,465,331.68	
Improvements to be rated.....	337,760.15	30,381,237.66
Securities Owned—		
Consumers' Gas Co. of Toronto, stock.....	\$ 20,250.00	
Toronto Housing Co. Ltd. Stock.....	500.00	20,750.00
Deferred Charges—		
Civic pensions, hospital grants, etc.....	\$ 8,453,041.74	
Less: Unexpended debenture funds.....	1,105,901.88	7,347,139.86
Unamortized Discount on debentures.....		21,484.79
Sinking Fund Assets.....		3,121,889.70
Securities held for Trust Funds and deposited by contractors.....		304,909.83
		<u>\$205,284,516.14</u>

NOTE: Surplus for 1948 which ordinarily would have been available for reduction of taxes has been applied against grants for hospital maintenance, \$646,353.67 and grant to the University of Toronto, \$38,864.10, both of which are treated as expenses of the year 1948.

AUDITOR'S

I have completed the audit of the books and accounts of the Corporation of the City of Toronto for the year ended 31st December, 1948, and subject to my report thereon and the unsettled items set out on Pages 13 to 17 inclusive of such report, I certify that in my opinion:

(1) All the explanations and information required by me have been obtained.

(2) The financial transactions which have come under my notice have been within the powers of the Corporation.

TORONTO, May 31st, 1949.

TORONTO as of December 31st, 1948

LIABILITIES

CURRENT:

Interest on Debentures—		
Coupons unrepresented, prior periods.....	\$ 175,679.39	
Coupons due January 1, 1949.....	264,191.00	
Interest accrued.....	435,085.75	\$ 874,956.14
Matured Debentures unrepresented.....		536,733.34
Bank Overdraft.....		185,338.63
Accounts Payable—		
Dominion Income Tax & Pension deductions.....	\$ 200,189.08	
General.....	2,088,953.99	
Salaries and wages.....	552,340.06	
Contractors' deposits and drawbacks.....	254,634.61	3,096,117.74
Unearned Revenue.....		268,248.77
Reserves for Current Items—		
Debenture levies and Interest in advance.....	\$ 461,898.57	
Deferred expenditures.....	322,264.19	
Financing Tax-sale lands and inventories.....	622,401.05	
Miscellaneous.....	171,945.74	
Provision for grant, University of Toronto.....	38,864.10	1,617,373.65

CAPITAL:

Debentures Outstanding—		
General Civic purposes.....	\$ 23,586,001.40	
Local improvements.....	3,423,081.83	
Board of Education, utilities, etc.....	30,193,298.60	
Civic pensions, hospital grants, etc.....	7,706,000.00	64,908,381.83
Accounts Payable for Capital expenditure in Progress—		
General.....	\$ 1,930,064.29	
Salaries and wages.....	3,518.13	1,933,582.42
Reserve for Capital items—		
Financing securities owned.....	\$ 20,750.00	
Future payments to Toronto Harbour Commis- sioners and Wartime Housing, Ltd.....	899,088.66	
Miscellaneous.....	79,061.85	
Replacement of equipment.....	60,253.80	1,059,154.31
York County's Equity in Court House.....		84,000.00
City's Equity in Capital Assets.....		127,322,808.75
Reserve for Sinking Fund, per by-laws.....	\$ 2,308,007.73	
Accumulated profits in Sinking Fund.....	813,881.97	3,121,889.70
Net Corpus of Trusts.....	\$ 29,347.31	
Contractors' deposits, Guarantee and Surety.....	246,583.55	275,930.86
		<u>\$ 205,284,516.14</u>

Contingent Liabilities not included above—Bonds which have been guaranteed by the City:	
Toronto Harbour Commissioners.....	\$15,780,600.00
Toronto Housing Company, Ltd.....	245,000.00
	<u>\$16,025,600.00</u>

G. A. LASCELLES,
Commissioner of Finance and City Treasurer.

CERTIFICATE

(3) The audit has been conducted in accordance with the instruction of the Department of Municipal Affairs, except that I have made no audit of the Assessment Rolls nor of the Local Improvement Rolls.

(4) The Balance Sheet is properly drawn up so as to exhibit a true and correct statement of the affairs of the Corporation, as shown by its books.

In the year 1948 there appears the item "City's Equity in Capital Assets", which has not appeared in the Balance Sheet of recent years. This Equity is brought about by bringing back into the accounts the capital assets which had been written off as the corresponding debenture debt had been redeemed.

S. C. SCOTT, F.C.A., City Auditor.

CONDENSED STATEMENT OF REVENUE AND EXPENSE

For the Year Ended December 31st, 1948

Expenditure		Revenue	
General Expense.....	\$41,525,733.16	Taxation and General Revenue.....	\$48,398,587.05
Debt Charges:		Surplus brought forward from 1947.....	337,679.71
Interest.....	\$ 2,797,039.88		
Serial Debenture payments.....	7,133,540.45		
Sinking Fund payments.....	187,938.79		
	\$10,118,519.12		
Less:			
*Charges met by Special Services not affecting general taxation.....	2,907,985.52		
	7,210,533.60		
	\$48,736,266.76		\$48,736,266.76

G. A. LASCELLES,
Commissioner of Finance,
and City Treasurer.

* Toronto Transportation Commission, Toronto Hydro-Electric System and Ratepayers' Share of Local Improvements.

CITY OF TORONTO
COMPARATIVE STATEMENT OF CURRENT EXPENDITURES 1943-1948 - Classified by Services

(See page 28 for Classification by Departments)

Item No.	Service		1943	1944	1945	1946	1947	1948	Increase or Decrease, 1948, compared with 1943				Item No.
									Maintenance, etc.		Debt Charges		
									Increase	Decrease	Increase	Decrease	
1.	General Administration	Maintenance, etc.	\$ 1,412,153	\$ 1,593,278	\$ 1,603,789	\$ 1,773,550	\$ 2,213,649	\$ 3,043,603					1.
	<i>City Council, City Clerk's (Incl. Assessment and Legal Div.), Audit, Planning and Treas. Depts., etc.</i>	Debt Charges	15,009	14,514	14,977	15,386	14,616	19,701	\$ 1,631,450		\$ 4,692		
2.	Health	Maintenance, etc.	1,030,489	1,122,227	1,145,237	1,285,199	1,492,770	1,629,486	598,997				2.
	<i>Public Health Services, Isolation Hospital, etc.</i>	Debt Charges	29,910	29,795	30,305	55,232	48,452	50,772			20,862		
3.	Highways (except Local Improvements)	Maintenance, etc.	1,359,244	1,533,959	1,782,369	1,919,981	2,643,203	2,542,936	1,183,692				3.
	<i>Roadways, Bridges, Snow Clearing, Cidering, etc.</i>	Debt Charges	1,361,611	1,390,482	1,277,718	1,245,861	1,018,689	953,014				408,597	
4.	Parks and Recreation	Maintenance, etc.	885,077	981,620	1,038,208	1,303,054	1,666,456	1,732,435	847,358				4.
		Debt Charges	524,119	508,426	441,499	409,633	334,101	302,277				221,842	
5.	Protection—(a) Police, Fire, etc.	Maintenance, etc.	4,834,738	5,071,594	5,233,222	6,372,034	7,382,070	8,109,992	3,275,254				5.
		Debt Charges	154,106	153,377	136,442	105,520	103,481	86,030				68,076	
	<i>(b) Water Supply for Fire Protection.</i>	Maintenance, etc.	161,440	161,440	161,720	161,920	162,260	165,560	4,120				
6.	Sanitation and Drainage (except Local Improvements)—Street Cleaning, Collection and Disposal of Garbage, Sewers, etc.	Maintenance, etc.	2,187,169	2,335,031	2,433,202	3,033,294	3,360,860	3,588,507	1,401,338				6.
		Debt Charges	775,669	839,130	819,802	976,260	915,526	950,914			175,245		
7.	Social Services—(a) Direct Relief (See Note below)	Maintenance, etc.	807,548	790,039	670,010	789,694	882,939	1,000,445	192,897				7.
		Debt Charges	616,159	290,344								616,159	
	<i>(b) Hospitalization (indigent), Children's Aid, Charitable Grants, etc.</i>	Maintenance, etc.	1,753,219	1,727,220	1,987,727	2,290,999	3,114,204	3,907,399	2,154,180				
		Debt Charges	161,368	159,778	153,999	270,506	258,732	293,803			132,435		
8.	Local Improvements—City's Share	Debt Charges	1,139,129	1,093,636	1,036,995	576,709	558,637	571,419				567,710	8.
9.	Miscellaneous—Emergency Housing (1944-1948), Cost of Foreign Exchange, Pensions, etc.	Maintenance, etc.	800,554	1,200,195	1,267,993	2,013,390	1,765,261	1,839,026	1,038,472				9.
		Debt Charges	58,722	362,987	342,741	376,598	644,940	740,684			681,962		
10.	Libraries	Maintenance, etc.	552,372	598,467	618,858	694,004	720,490	727,329	174,957				10.
		Debt Charges	44,188	39,658	40,100	39,471	32,779	36,479				7,709	
11.	Education—Public, Separate, High, Commercial and Technical Schools (not after Prov. Gov't Grants, etc.)	Maintenance, etc.	9,237,220	9,927,838	7,675,412	7,525,295	9,624,122	10,495,750	1,258,530				11.
		Debt Charges	1,846,574	1,795,303	1,722,963	1,652,220	1,499,521	1,377,724				468,850	
	TOTAL COMMON WELFARE	Maintenance, etc.	25,021,223	27,042,908	25,617,747	29,162,414	35,028,284	38,782,468	13,761,245				Net Decrease 1,343,747
		Debt Charges	6,726,564	6,677,430	6,017,541	5,723,396	5,429,474	5,382,817					
12.	Public Service Enterprises and Special Services: Abattoir	Maintenance, etc.	140,366	213,527	159,298	171,835	280,937	189,408	49,042				12.
		Debt Charges	15,699	14,477	11,138	24,025	16,419	15,667				32	
13.	Airports	Maintenance, etc.	67,520	67,267	67,524	5,967	20,757	21,921	21,921				13.
		Debt Charges	60,657	65,612	62,227	67,179	67,798	67,358				162	
14.	Canadian National Exhibition Buildings	Maintenance, etc.	202,691	202,435	201,739	197,019	187,913	196,158	46,348				14.
		Debt Charges										6,533	
15.	Housing Authority of Toronto	Maintenance, etc.					5,000	5,000	5,000				15.
		Debt Charges					49,427				49,427		
16.	Island Ferry Service	Maintenance, etc.	47,170	35,136	22,928	24,476	117,020		47,170				16.
		Debt Charges	26,478	26,844	27,199	26,524	17,980					26,478	
17.	Royal Agricultural Winter Fair Buildings	Maintenance, etc.	1,827	1,856	14,431	15,808	51,953	54,071	52,244				17.
		Debt Charges	155,780	141,216	84,717	84,450	73,755	62,577				93,203	
18.	Toronto Harbour Commissioners	Maintenance, etc.	754,309	607,852	537,760	518,284	214,484	208,057					18.
	<i>Debt Charges paid by City re Guaranteed Debt.</i>												
19.	Waterworks	Maintenance, etc.	1,443,420	1,526,499	1,594,321	1,682,702	1,808,421	2,157,804	714,384				19.
		Debt Charges	1,829,058	1,801,450	1,747,142	1,716,526	1,641,140	1,436,529				392,529	
	TOTAL MAINTENANCE, ETC.		27,468,972	29,493,390	28,008,712	31,650,616	37,603,498	41,525,734	14,056,762				Net Increase
	TOTAL DEBT CHARGES		9,023,790	8,931,119	8,157,000	7,839,119	7,434,479	7,210,533					Net Decrease 1,813,257
	TOTAL CURRENT EXPENDITURES (Including Debt Charges)		\$36,492,762	\$38,424,509	\$36,165,712	\$39,489,735	\$45,037,977	\$48,736,267	Total Net Increase				\$12,243,505

NOTES: Social Services: (a) Maintenance amounts for Direct Relief above, 1943-1948, were met directly as current expenditures. (1943 amount includes \$19,295 intended to be funded on account of 1940 expenditure but transferred to current account and provided for in 1943 Tax Rate.) See page 37 for City's Gross Expenditures, Net Costs, Amount Funded, etc., 1930-1948.

CITY OF TORONTO

(See Page 27 for Classification by Services)

COMPARATIVE STATEMENT OF CURRENT EXPENDITURES—(Exclusive of Debt Charges), 1943-1948—Classified by Departments

Item No.	Departments	1943	1944	1945	1946	1947	1948	Increase or Decrease 1948 compared with 1943		Item No.
								Increase	Decrease	
	Maintenance, Etc.:									
	Administrative Departments—									
1.	City Council—General (Includes Mayor's Office, Grants, etc.)...	\$ 155,304	\$ 174,629	\$ 190,242	\$ 220,206	\$ 301,076	\$ 270,860	\$ 115,556	\$	1.
	City Planning Board	18,000	35,615	7,247	19,288	25,000	25,000	7,000		
	Toronto and Suburban Planning Board					44,400	22,000	22,000		
2.	City Clerk's (Includes Personnel Division)...	147,676	156,603	173,644	209,559	245,452	275,202	127,526		2.
3.	Assessment	248,516	279,648	292,345	302,308	381,209	1,069,932	821,416		3.
4.	Audit	105,305	108,627	115,768	123,018	136,592	153,816	48,511		4.
5.	Legal (Includes Claims Commission)	80,432	91,344	103,192	109,324	144,762	143,120	62,688		5.
6.	Planning and Surveying—General	52,810	72,620	67,791	66,493	73,365	120,561	67,751		6.
	Traffic Signals (Transferred from Police Dept.)	16,033	9,040	25,023	23,794	40,217	27,189	11,156		
	Public Lighting (Transferred from Property Dept.)	367,225	370,047	445,952	453,060	489,880	524,999	157,774		
7.	Treasury (Includes Waterworks Revenue Branch)	466,888	522,077	550,296	596,371	677,359	751,130	284,242		7.
	Operating Departments—									
8.	Abattoir	140,366	213,527	159,298	171,835	280,937	189,408	49,042		8.
9.	Buildings	140,517	165,195	174,007	204,467	237,904	257,249	116,732		9.
10.	Fire—General	1,626,795	1,772,557	1,867,322	2,234,986	2,531,094	2,784,045	1,157,250		10.
	Water Supply for Fire Protection	161,440	161,440	161,720	161,920	162,260	165,550	4,120		
11.	Health	1,017,692	1,109,389	1,145,237	1,283,759	1,491,330	1,628,046	610,354		11.
12.	Parks (Includes Maintenance Buildings and Grounds of C.N.E. and R.A.W. Fair)	935,306	1,037,387	1,113,935	1,380,891	1,787,946	1,886,341	951,035		12.
13.	Police (See Planning and Surveying above)	2,408,998	2,424,964	2,440,885	2,900,346	3,329,561	3,769,175	1,360,177		13.
14.	Property (See Planning and Surveying above)	484,699	561,008	668,988	950,162	1,353,854	1,549,051	1,064,352		14.
15.	Street Cleaning	2,049,167	2,300,361	2,622,326	3,033,874	3,503,598	3,642,848	1,593,681		15.
16.	Welfare									16.
	(a) General (Includes Charitable Grants)	510,270	488,499	661,596	850,434	1,042,232	1,144,765	634,495		
	(b) Direct Relief (See Note below)	807,548	790,039	670,010	789,694	882,939	1,000,445	192,897		
	(c) Statutory—Hospitalization (Indigent), Children's Aid, etc.	1,043,524	1,187,276	1,258,911	1,346,966	1,561,880	1,683,391	839,867		
17.	Works (Includes Waterworks Operation)	2,224,188	2,352,935	2,452,928	2,668,502	2,936,874	3,047,115	822,927		17.
	TOTAL—ADMINISTRATIVE AND OPERATING DEPTS.	\$15,208,699	\$16,384,827	\$17,368,663	\$20,101,257	\$23,661,721	\$26,331,248	\$11,122,549		
	Miscellaneous:									
18.	Emergency Housing (Maintenance costs under Property Dept.)		332,081	178,853	177,106	232,564	182,066	182,066		18.
19.	Exchange—Net Cost of New York and London Funds	283,273	184,272	115,477	102,805				283,273	19.
20.	Harbour Commissioners—Debt Charges re Guaranteed Debt	754,309	607,852	537,760	518,284	214,484	208,057		546,252	20.
21.	Libraries	552,372	598,467	618,858	694,004	720,490	727,329	174,957		21.
22.	Courts—General, Magistrates, etc.	235,688	260,584	271,307	322,820	340,154	394,376	158,688		22.
23.	Sundry—Highways outside City, Pensions, Hospital Deficits, Waterworks (Charges re Administration and Municipal Services, 1948) etc.	1,197,411	1,197,469	1,242,382	2,209,045	2,809,963	3,186,908	1,989,497		23.
	AFFECTING GENERAL TAX RATE	\$18,231,752	\$19,565,552	\$20,333,300	\$24,125,321	\$27,979,376	\$31,029,984	\$12,798,232		
	Net Increase									
24.	Education (Net after Provincial Government Grants, etc.)	9,237,220	9,927,838	7,675,412	7,525,295	9,624,122	10,495,750	1,258,530		24.
	AFFECTING TOTAL TAX RATE	\$27,468,972	\$29,493,390	\$28,008,712	\$31,650,616	\$37,603,498	\$41,525,734	\$14,056,762		
	Net Increase									

NOTE: Welfare Dept. (b) Direct Relief amounts above, 1943-1948, were met directly as current expenditures. (1943 amount includes \$19,295 intended to be funded on account of 1940 expenditure but transferred to current account and provided for in 1943 Tax Rate.) See Statement, page 37, showing City's Gross Expenditures, Net Cost, Amount Funded, etc., 1930-1948.

REVENUE FOR YEAR 1948

Summary Classification of Year's Revenue According to Source

Taxation—Yield from tax rates as follows, less provision for uncollectible taxes.....\$36,426,093

	Tax Rate
(a) General.....	26.60 mills
School:	
Public School Supporters.....	11.90 mills
Separate School Supporters.....	15.20 mills

Ontario Government:

Subsidy—General.....	\$ 914,667	
Subsidy—re Highways.....	901,664	
		1,816,331

Common Welfare Revenue Other Than Taxation:

General Rentals (Including Emergency Housing).....	\$ 971,134	
Administration of Justice—Police Court Fines and Fees....	868,445	
License, Permit and Inspection Fees.....	887,553	
Miscellaneous and Special Adjustments.....	533,152	
Proceeds from Sale of Tax Sale Lands.....	167,053	
Toronto Hydro-Electric System—		
Profit on Municipal Services (Power Account) \$ 5,806		
Payment in lieu of Taxes	140,807	
		146,613
Interest and Penalties—on Overdue Taxes	130,352	
Sundry Service Fees.....	134,365	
Toronto Transportation Commission—Payments in lieu of		
Business Taxes and part of Realty Taxes.....	95,791	
Exchange Account—Net discount re Sterling and U.S.		
Funds.....	779,060	
Mortgage Tax Revenue.....	73,233	
Registry Office Revenue.....	53,267	
Audit, Official and Conveyancing Fees.....	40,005	
Interest Account	14,004	
Dividend on Stock—Consumers' Gas Company.....	1,200	
		4,895,227

Revenue from Public Service Enterprises and Special Services:

Municipal Abattoir—Profit from sales of by-products, killing and cooler		
charges, cold storage fees, stock yard fees, etc.....		260,895
Canadian National Exhibition—Operating surplus received from the		
Association and Ontario Government grant covering debt charges re		
Horse Palace		342,325
Royal Agricultural Winter Fair—Rental re Livestock Building from		
Canadian National Exhibition.....		12,000
Waterworks System—Water rates, including City Supply and sundry		
rentals.....		4,645,716
Total Revenue, 1948.....		\$48,398,587

(a) Net rate after deducting Ontario Government General Subsidy of One Mill.

COMPARATIVE STATEMENT
REVENUE AND EXPENDITURE FOR YEARS 1938-1948

Year	Tax Rate in Mills — General and Board of Education	Revenue (Exclusive of Reserve for Deferred Expenditure and Previous Year's Surplus, brought forward)			Expenditure (Exclusive of Reserve for Deferred Expenditure and Deficit, if any, carried forward)							
		Taxation	General Other Than Taxation Note (3)	Special Services	Total Revenue	Common Welfare—Note (1)			Special Services—Note (2)			
						General	Debt Charges	Total Common Welfare Expenditure	General	Debt Charges	Total Special Services Expenditure	
												Total Expenditure
1938	36.05	\$33,130,670	\$2,788,335	\$3,751,896	\$39,670,901	\$25,040,764	\$9,673,923	\$34,714,687	\$2,257,681	\$2,507,480	\$4,765,161	\$39,479,848
1939	34.75	31,851,949	3,098,939	3,741,033	38,691,921	24,737,598	9,724,130	34,461,728	2,293,517	2,513,870	4,807,387	39,269,115
1940	35.15	31,768,644	2,614,633	3,852,437	38,235,714	24,501,948	8,812,825	33,314,773	2,181,950	2,480,742	4,662,692	37,977,465
1941	34.60	31,062,378	2,647,942	4,188,656	37,898,976	23,895,744	8,956,553	32,852,297	2,123,947	2,388,577	4,512,524	37,364,821
1942	32.60	29,472,693	2,829,742	4,394,047	36,696,482	23,935,678	8,045,601	31,981,279	2,089,582	2,343,395	4,432,977	36,414,256
1943	31.60	28,728,126	2,645,939	4,368,011	35,742,076	25,021,223	6,726,564	31,747,787	2,447,749	2,297,226	4,744,975	36,492,762
1944	32.85	30,016,850	3,731,686	4,499,306	38,247,842	27,042,908	6,677,430	33,720,338	2,450,482	2,253,689	4,704,171	38,424,509
1945	31.45	28,470,305	3,224,793	4,498,013	36,193,111	25,617,747	6,017,541	31,635,288	2,390,965	2,139,459	4,530,424	36,165,712
1946	34.15	31,048,163	3,922,293	4,510,347	39,480,803	29,162,414	5,723,396	34,885,810	2,488,202	2,115,723	4,603,925	39,489,735
1947	38.10	35,327,093	4,853,831	5,176,266	45,357,190	35,028,284	5,429,474	40,457,758	2,575,214	2,005,005	4,580,219	45,037,977
1948	38.50	36,426,093	6,711,558	5,260,936	48,398,587	38,782,468	5,382,817	44,165,285	2,743,266	1,827,716	4,570,982	48,736,267

NOTE: (1) Common Welfare Services, viz.: Police, Fire, Health, Direct Relief, Hospitalization, Street Cleaning, Collection and Disposal of Garbage, Sewage System, Local Improvements (City's Share), Highways, Parks, Schools, Emergency Housing, Administration, etc.

(2) Special Services, viz.: Waterworks, Abattoir, Canadian National Exhibition (Buildings), Harbour Commissioners, Island Ferry Service, (assumed by T.T.C. in 1948) Royal Agricultural Winter Fair (Buildings), Civic Airports, Housing Authority of Toronto (1947 and 1948), Toronto Hydro-Electric System, Toronto Transportation System (operated by separate Commissions) and Local Improvements (Ratepayers' Share) are not included in this statement.

(3) Includes the following amounts received from the Provincial Government:

(a) General Subsidies:	
1938—\$	898,797
1939—	1,343,475
1940—	883,800
1941—	876,934
1942—	876,934
1943—	885,283
(b) Subsidy re Highways—1947—\$ 891,693; 1948—\$901,664.	
1944—\$1,758,418	(One-half to reduce taxation for educational purposes) and 150,000 re loss of authority to tax certain Corporation Income.
1945—	876,758
1946—	881,395
1947—	896,678
1948—	914,667

CAPITAL EXPENDITURES, 1948

Revenue-Producing and Specially-Rated Services:		
Abattoir (Municipal).....	\$ 27,373	
Canadian National Exhibition:		
New Grand Stand.....	\$2,731,231	
Sundry—Building Improvements, etc.....	323,963	
	3,055,194	
*Local Improvements (Ratepayers' Share)	322,217	
†Waterworks.....	60,277	\$3,465,061
Non-Revenue-Producing Services:		
Civic Square, New.....	\$ 623,694	
Dalhousie St. Garage.....	225,450	
Dominion Building	66,866	
Highways in City..	3,199,810	
Highways outside the City.....	93,704	
Hospital and Other Building Grants.....	502,077	
Lambert Lodge acquisition.....	100,000	
Library (Public) Building.....	117,759	
Local Improvements (City's Share).....	129,462	
Motor Vehicle Equipment, New.....	237,066	
Parks—Land acquisitions, etc.....	84,114	
Regent Park Housing Project (North Plan)—Land acquisitions.....	374,053	
School Buildings (Public, Secondary and Administration)	541,258	
Sewage System.....	1,586,161	
Shore Protection and Island Regatta Course.....	181,522	
Sundry—New elevator for City Hall, Isolation Hospital, St. Lawrence Market Ramp, etc.....	138,587	
Traffic Control Signals Improvements.....	251,851	8,453,434
		\$11,918,495

NOTE:—Total Capital Expenditure for the year does not correspond with debenture sales for the year due to the fact that funding, either at the completion or during progress of the work, may cover expenditure during the current and/or previous years.

* Specially-rated.

† Wholly self-sustaining.

STATEMENT OF DEBENTURE DEBT

December 31st, 1948

Service	Original Amount of Outstanding By-laws	Redeemed on Account	Gross Debt Dec. 31st, 1948	Accumulated Sinking Fund, Etc. Dec. 31st, 1948	Net Debt Dec. 31st, 1948
General:	\$	\$	\$	\$	\$
City Buildings.....	685,000.00	133,000.00	552,000.00	.....	552,000.00
Civic Square.....	1,000,000.00	.....	1,000,000.00	.....	1,000,000.00
Fire Protection (including High Pressure Water Supply).....	671,828.85	491,728.85	180,100.00	52,576.22	127,523.78
Garbage Disposal.....	1,029,000.00	747,000.00	282,000.00	.....	282,000.00
Highways—In City.....	15,375,000.00	7,192,000.00	8,183,000.00	.....	8,183,000.00
Highways—Outside City.....	787,000.00	566,000.00	221,000.00	.....	221,000.00
Hospitals—Building Grants.....	2,434,000.00	658,000.00	1,776,000.00	.....	1,776,000.00
Hospitals—Municipal.....	541,000.00	429,000.00	112,000.00	.....	112,000.00
Industrial Farms.....	81,860.00	6,860.00	75,000.00	73,743.42	1,256.58
Libraries—Public.....	654,000.00	411,000.00	243,000.00	.....	243,000.00
Local Improvements—City's Share.....	6,377,788.53	4,357,685.07	2,020,103.46	.....	2,020,103.46
Miscellaneous.....	1,444,100.56	585,100.56	859,000.00	.....	859,000.00
Parks and Playgrounds.....	4,451,000.00	2,426,000.00	2,025,000.00	.....	2,025,000.00
Pension Plan—Civic Employees.....	5,000,000.00	150,000.00	4,850,000.00	.....	4,850,000.00
Police Stations.....	418,000.00	265,000.00	153,000.00	68,028.38	84,971.62
Registry Office.....	433,000.00	72,000.00	361,000.00	354,718.44	6,281.56
Sewage System.....	11,853,591.26	5,070,889.86	6,782,701.40	.....	6,782,701.40
Additional Sinking Funds.....	53,236,169.20	23,561,264.34	29,674,904.86	549,066.46	29,125,838.40
Instalment Debt Redemption Funds.....	.....	.....	.....	2,697.19	(a) 2,697.19
	.....	.....	.....	153,000.00	(a) 153,000.00
Total.....	53,236,169.20	23,561,264.34	29,674,904.86	704,763.65	28,970,141.21

Education:					
Schools—Public.....	10,052,000.00	6,799,000.00	3,253,000.00	.....	3,253,000.00
" High.....	5,048,000.00	2,835,300.00	2,212,700.00	.....	2,212,700.00
" Commercial.....	2,190,000.00	1,319,700.00	870,300.00	.....	870,300.00
" Technical.....	3,207,879.00	2,275,879.00	932,000.00	464,808.27	467,191.73
" General Administration Buildings.....	520,000.00	113,000.00	407,000.00	.....	407,000.00
Total.....	21,017,879.00	13,342,879.00	7,675,000.00	464,808.27	7,210,191.73
Total General and Education.....	74,254,048.20	36,904,143.34	37,349,904.86	1,169,571.92	36,180,332.94
Revenue-Producing and Specially-Rated Debts:					
Abattoir.....	71,000.00	42,000.00	29,000.00	.....	29,000.00
Airports—Municipal.....	999,000.00	390,000.00	609,000.00	.....	609,000.00
Can. Nat. Exhibition Buildings.....	5,773,000.00	2,097,800.00	3,675,200.00	170,265.57	3,504,934.43
Housing Authority of Toronto.....	2,000,000.00	.....	2,000,000.00	.....	2,000,000.00
Local Improvements—Ratepayers' Share.....	3,396,442.00	1,993,463.63	1,402,978.37	.....	1,402,978.37
Royal Agric. Winter Fair Buildings.....	1,266,000.00	1,061,000.00	205,000.00	.....	205,000.00
Toronto Hydro-Electric System.....	7,952,000.00	5,532,000.00	2,420,000.00	1,123,867.43	1,296,132.57
Toronto Transportation Commission.....	29,050,000.00	22,819,000.00	6,231,000.00	.....	6,231,000.00
Waterworks.....	21,059,579.89	10,073,281.29	10,986,298.60	.....	10,986,298.60
Additional Sinking Funds.....	71,567,021.89	44,008,544.92	27,558,476.97	1,294,133.00	26,264,343.97
Instalment Debt Redemption Funds.....	.....	.....	.....	133,601.41	(a) 133,601.41
.....	.....	.....	.....	284,398.51	(a) 284,398.51
Total.....	71,567,021.89	44,008,544.92	27,558,476.97	1,712,132.92	25,846,344.05
Additional Sinking Funds Unapportioned.....	145,821,070.09	80,912,688.26	(b) 64,908,381.83	2,881,704.84	62,026,676.99
.....	.....	.....	.....	677,583.37	(a) 677,583.37
Grand Total.....	145,821,070.09	80,912,688.26	(b) 64,908,381.83	3,559,288.21	61,349,093.62
(a) Deduct.					
(b) Sinking Fund Debentures..... \$ 2,641,300.00					
Serial Instalment Debentures..... 62,267,081.83					
\$64,908,381.83					

CITY'S BORROWING POWERS

The total debenture debt of the City is limited by Province of Ontario Statutes (52 Victoria, ch. 74, sec. 1 as re-enacted by 1 Edward VIII, ch. 40, sec. 8) to 12% of the first \$200,000,000 of Assessment and 8% of the excess thereafter.

In determining the amount of new debenture debt which may be created within this limitation, the debenture debts of certain services are deductible from the City's total debenture debt, under the provisions of various statutes. See Table 2 below for such debts outstanding as at December 31st, 1948.

Table 1 Statutory Borrowing Margin			
December 31st	Legal Debt Limitation (Based on Taxable Assessment)	Outstanding Debt (excluding Exempted Debts)	Statutory Borrowing Margin
1938	\$85,602,613	\$71,160,713	\$14,441,900
1939	85,442,928	66,188,174	19,254,754
1940	84,735,078	64,706,032	20,029,046
1941	83,948,925	58,942,553	25,006,372
1942	84,201,299	53,370,667	30,830,632
1943	84,837,528	51,762,474	33,075,054
1944	84,394,116	45,454,972	38,939,144
1945	84,247,140	42,641,995	41,605,145
1946	84,909,992	35,827,697	49,082,295
1947	86,239,710	39,192,748	47,046,962
1948	87,889,352	41,848,001	46,041,351

Table 2 Exempted Debt		
Purpose	Authority	Amount Dec. 31st, 1948
Toronto Transportation System.....	Municipal Act, R.S.O. 1914, Sec. 257, s.s. 2.....	\$ 6,231,000
Toronto Hydro-Electric System.....	9 Edw. VII, Ch. 125, Sec. 8...	2,420,000
Waterworks.....	52 Vic. Ch. 74, Sec. 12.....	10,986,299
Local Improvements.....	52 Vic. Ch. 74, Sec. 11 and Local Improvement Act, Sec. 40, s.s. 6 (R.S.O. 1914).....	3,423,082
	Total.....	\$23,060,381

DEBT MATURITIES

1949-1978

Year	Sinking Fund Debentures	Serial Instalment Debentures	Total
1949	\$ 1,208,300	\$ 7,934,790	\$ 9,143,090
1950	7,647,119	7,647,119
1951	7,154,871	7,154,871
1952	5,460,447	5,460,447
1953	553,000	4,116,151	4,669,151
1954	3,322,296	3,322,296
1955	880,000	3,207,425	4,087,425
1956	3,153,969	3,153,969
1957	2,914,716	2,914,716
1958	2,488,298	2,488,298
1959	2,195,000	2,195,000
1960	1,879,000	1,879,000
1961	1,806,000	1,806,000
1962	1,363,000	1,363,000
1963	1,143,000	1,143,000
1964	1,027,000	1,027,000
1965	977,000	977,000
1966	888,000	888,000
1967	897,000	897,000
1968	807,000	807,000
1969	409,000	409,000
1970	419,000	419,000
1971	327,000	327,000
1972	334,000	334,000
1973	66,000	66,000
1974	66,000	66,000
1975	66,000	66,000
1976	66,000	66,000
1977	66,000	66,000
1978	66,000	66,000
	\$ 2,641,300	\$62,267,082	\$64,908,382

DEBENTURES ISSUED IN 1948

Purpose of Issue	Coupon Interest Rate %	Term of Repay- ment	Serial Instalment Debentures Issued	
Sold by Tender, December 9th, 1947				
(dated January 1st, 1948)				
Hospital for Sick Children (Building Grant)	1 ³ / ₄	5 yrs.	.....	\$ 1,002,000
Exhibition Park Electrical Distribu- tion Plant.....	1 ³ / ₄ , 2 ¹ / ₄	10 yrs.	\$ 200,000	
New Library Building.....	1 ³ / ₄ , 2 ¹ / ₄	10 yrs.	210,000	
				410,000
Bloor Street Collegiate Institute Addition.....	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	20 yrs.	420,000	
Clifton Road Extension (on account)	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	20 yrs.	1,500,000	
Dominion Building Acquisition.....	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	20 yrs.	500,000	
Don Valley Roadway (on account)...	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	20 yrs.	1,500,000	
Jarvis School for Boys—Addition.....	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	20 yrs.	44,000	
New Civic Square (on account).....	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	20 yrs.	1,000,000	
				4,964,000
Housing Authority of Toronto, Regent Park Project (on account)	1 ³ / ₄ , 2 ¹ / ₄ , 2 ³ / ₄	30 yrs.	.....	2,000,000
Price Received—98.888; Average In- crease Cost—2.68% per annum.....	.....	.....	.....	\$ 8,376,000
Sold by Tender, Nov. 22nd, 1948:				
Eastern High School of Commerce— Additions.....	2 ¹ / ₂ , 2 ³ / ₄	10 yrs.	\$ 30,000	
Public Schools—Additions.....	2 ¹ / ₂ , 2 ³ / ₄	10 yrs.	69,000	
Pavement Widening, etc.....	2 ¹ / ₂ , 2 ³ / ₄	10 yrs.	1,076,000	
				1,175,000
New Grandstand, Exhibition Park (on account).....	2 ¹ / ₂ , 2 ³ / ₄ , 3	20 yrs.	3,000,000	
Supply Building—Addition (Board of Education.....	2 ¹ / ₂ , 2 ³ / ₄ , 3	20 yrs.	190,000	
				3,190,000
Price Received—100.268; Average Interest Cost—2.83% per annum.....	.....	.....	.....	\$ 4,365,000
Sold to City's Sinking Fund:				
Local Improvements—				
City's Share.....	2	10 yrs.	\$ 129,462	
Ratepayers' Share.....	2	10 yrs.	322,217	
				\$ 451,679

Total Debentures Issued in 1948.....	\$13,192,679
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CITY OF TORONTO
DIRECT UNEMPLOYMENT RELIEF, 1930-1948

Year	Gross Direct Relief Expenditures	Dominion and Ontario Governments and Private Contributions	Net Cost to City	How Net Cost to City Financed		
				Met as Current (Including Servicing Charges)	Funded by Serial Instalment Debentures	
					Amount	Term
1930-2	\$ 4,994,464	\$ 3,020,748	\$ 1,973,716	\$1,973,716	.....	.....
1933	6,686,933	4,286,142	2,400,791	.....	\$ 2,400,791	5 yrs.
1934	8,873,090	5,688,029	3,185,061	340,649	2,844,412	5 yrs.
1935	9,983,508	6,381,097	3,602,411	408,924	3,193,487	5 yrs.
1936	8,765,054	5,625,761	3,139,293	955,741	2,183,552	5 yrs.
1937	7,194,953	4,785,000	2,409,953	974,392	1,435,561	5 yrs.
1938	7,524,514	4,949,282	2,575,232	971,376	1,603,856	4 yrs.
1939	7,289,353	5,101,623	2,187,730	969,453	600,000	4 yrs.
					618,277	3 yrs.
1940	4,891,116	3,700,814	1,190,302	921,007	(a) 269,295	2 yrs.
1941	2,265,870	1,610,546	655,324	655,324	.....	.....
1942	1,542,110	741,667	800,443	800,443	.....	.....
1943	1,299,162	510,909	788,253	788,253	.....	.....
1944	1,260,507	470,468	790,039	790,039	.....	.....
1945	1,187,861	517,851	670,010	670,010	.....	.....
1946	1,388,109	598,415	789,694	789,694	.....	.....
1947	1,548,367	665,428	882,939	882,939	.....	.....
1948	1,739,937	739,492	1,000,445	1,000,445	.....	.....
	\$78,434,908	\$49,393,272	\$29,041,636	\$13,892,405	\$15,149,231	

CHARGE FOR DIRECT RELIEF IN CITY TAX RATES, 1930-1948

Year	Current (Including Servicing Charges)	Debt Charges		Total Charge in Tax Rate	Effect in Tax Rate (Mills)
		Principal	Interest		
1930-32	\$ 1,973,716	.....	.....	\$ 1,973,716	2.02
1933	.....	.....	\$ 12,239	12,239	.01
1934	340,649	\$ 201,000	114,818	656,467	.69
1935	408,924	800,378	181,668	1,390,970	1.47
1936	955,741	1,226,965	198,485	2,381,191	2.63
1937	974,392	1,799,000	171,053	2,944,445	3.26
1938	971,376	2,320,000	165,856	3,457,232	3.85
1939	969,453	2,442,000	130,019	3,541,472	3.95
1940	921,007	1,855,000	84,861	2,860,868	3.24
1941	655,324	2,046,000	83,617	2,784,941	3.18
1942	800,443	1,504,000	47,392	2,351,835	2.68
1943	(a) 807,548	599,000	17,159	1,423,707	1.61
1944	790,039	(b) 285,000	5,344	1,080,383	1.23
1945	670,010	.....	.....	670,010	.76
1946	789,694	.....	.....	789,694	.89
1947	882,939	.....	.....	882,939	.98
1948	1,000,445	.....	.....	1,000,445	1.08
	\$13,911,700	\$15,078,343	\$1,212,511	\$30,202,554	33.53

(a) Includes \$19,295 intended to be funded on account of 1940 expenditure but transferred to current account and provided for in 1943 Tax Rate. (b) Final instalment.

COMPARATIVE STATISTICS OF
POPULATION, ASSESSMENT AND DEBENTURE DEBT, 1938-1948

Year	Popula- tion	Taxable Assessment		Total Gross Debt		(5) Total Net Debt		(6) Net General and Education Debt	
	Number	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
		\$	\$	\$	\$	\$	\$	\$	\$
1938	647,803	970,032,667	1,497	158,556,185	244.76	127,776,644	197.25	63,764,868	98.43
1939	649,123	968,036,602	1,491	147,434,575	227.13	114,653,177	176.63	56,436,971	86.94
1940	648,098	(1)959,188,474	1,480	132,913,453	205.08	108,373,767	167.22	53,896,085	83.16
1941	655,751	949,361,567	1,448	120,985,432	184.50	96,680,749	147.44	47,304,198	72.14
1942	669,130	(2)952,516,236	1,423	109,730,883	163.99	85,892,084	128.36	41,428,463	61.91
1943	674,285	(3)960,469,094	1,424	103,202,435	153.05	79,286,035	117.59	39,549,590	58.65
1944	676,887	(4)954,926,455	1,411	90,411,114	133.57	69,522,853	102.71	34,558,860	51.06
1945	681,802	953,089,248	1,398	83,244,259	122.09	64,559,252	94.69	33,105,264	48.56
1946	696,555	961,374,902	1,380	72,157,545	103.59	55,785,133	80.09	28,158,717	40.43
1947	695,302	977,996,375	1,407	70,991,895	102.10	56,450,406	81.19	32,543,009	46.80
1948	670,035	998,616,897	1,490	64,908,382	96.87	61,349,094	91.56	36,180,333	54.00
1938- 1948	Increase 3.43%	Increase 2.95%	Dec. .47%	Decrease 59.06%	Dec. 60.42%	Decrease 51.99%	Dec. 53.58%	Decrease 43.26%	Dec. 45.14%

- (1) 1940-1943 as revised re Corporation Income Assessments.
- (2) 1942-1948 include additions to assessments under 1942 re-enactment of Section 57a of The Assessment Act and subsequent amendments.
- (3) 1943-1948 include assessments re City-owned rented properties.
- (4) 1944-1948 do not include Corporation Income Assessments. The statutory authority to assess income of Corporations was suspended (6 Geo. VI, Ch. 1) for the duration of the War under Dominion-Provincial agreement and repealed entirely under The Assessment Amendment Act, 1947.
- (5) Total Net Debt is computed by deducting all Sinking Funds and Instalment Debt Redemption Funds from Total Gross Debt.
- (6) Net General and Education Debt is computed by deducting from Total Gross Debt (a) The gross debt of Specially-rated and Revenue-producing Services and (b) Sinking Funds and Instalment Debt Redemption Funds on hand with respect to General and Education Debt. (see page 6).

STATEMENT OF OPERATIONS OF SINKING FUND

For Year Ended December 31st, 1948—(See Text Page 16)

Particulars	Total Sinking Fund	Actuarial Sinking Fund	Additional Sinking Fund (over Actu- arial Re- quirements)
Balance at December 31st, 1947.....	\$13,889,750.22	\$13,743,906.12	\$145,844.10
Add—Accretions during year:			
Annual levies.....	187,938.79	187,938.79	.....
Interest on investments.....	197,673.59	197,673.59	.....
Profit on Liquidation of Investments—			
Prior to 1948.....\$682,972.33			
In 1948.....121,241.53			
	\$804,213.86		
Less: Retained against con- tinuing Investments.....86,107.93	718,105.93	40,522.56	677,583.37
Total Accretions.....	\$1,103,718.31	\$426,134.94	\$677,583.37
Total.....	\$14,993,468.53	\$14,170,041.06	\$823,427.47
Deduct—Dispositions during year:			
Debentures redeemed at maturity....	\$11,862,033.33	\$11,862,033.33	.....
Debentures redeemed before maturity.....\$319,000.00			
Discount.....2,275.37			
	\$316,724.63		
Less: Capital Funds applied thereto.....307,179.13	9,545.50	.....	9,545.50
Total Dispositions.....	\$11,871,578.83	\$11,862,033.33	\$9,545.50
Balance at December 31st, 1948.....	\$3,121,889.70	\$2,308,007.73	\$813,881.97

BALANCE SHEET OF SINKING FUND AS AT DECEMBER 31st, 1948

Assets		Liabilities	
Debentures:		Accumulated Sinking Fund, actuarially determined to redeem at maturity the City's entire Sinking Fund Debt.....	\$2,308,007.73
City of Toronto.....	\$2,144,777.14		
Toronto Harbour Com- missioners.....	29,023.56		
Province of Ontario.....	185,875.00		
City of Ottawa.....	3,095.79		
	\$2,362,771.49	Additional Sinking Fund (over actuarial require- ments)—	
Less: Investment adjust- ments in suspense.....	86,107.93	On City's Account.....	\$2,697.19
Net Book Value (Par Value, \$2,348,510.45).....	\$2,276,663.56	On Toronto Hydro-Elec- tric System Account.....	133,601.41
Cash in Banks.....	818,227.36	Unapportioned	677,583.37
Accrued interest on invest- ments.....	26,998.78		813,881.97
	\$3,121,889.70		\$3,121,889.70

Treasury Department, June 1st, 1949.

G. A. LASCELLES, City Treasurer.

I have completed the audit of the Books and Accounts of the Sinking Fund of the City of Toronto for the year ended December 31st, 1948, and certify that the attached Balance Sheet and Statement of Operations are, in my opinion, drawn up properly so as to disclose the financial position of the Fund as shown by the Books as at December 31st, 1948, and according to the information and explanations given to me.

I have verified the Securities by inspection and the Bank Balances by certificates from the Banks.
Department of Audit, June 1st, 1949.

S. C. SCOTT, F.C.A., City Auditor.

CITY DEBENTURE DEBT REDEEMED, 1919-1948, BEFORE MATURITY

Services	Debentures Redeemed before Maturity
Affecting Taxation:	
(1) Reducing General Tax Rate:	
General Services.....	\$23,818,930
Parks, Sewers, Bridges, Hospital Building Grants, City's Share of Local Improvements, etc.	
Revenue-Producing Services.....	10,389,873
Waterworks, Exhibition Buildings, Radials, etc.	
	\$34,208,803
(2) Reducing Board of Education Tax Rate—Schools.....	8,441,782
Reducing General and Board of Education Tax Rates.....	\$42,650,585
Not Affecting Taxation:	
Toronto Hydro-Electric System and Toronto Transportation Commission.....	7,393,788
Ratepayers' Share of Local Improvements (levied for).....	920,239
Total Debenture Debt Redeemed 1919-1948, before Maturity.....	\$50,964,612

NOTE: See resultant cancellation of Debt Charges in following Statement.

DEBT CHARGES (PRINCIPAL INSTALMENTS, SINKING FUND LEVIES AND INTEREST) CANCELLED BY REDEMPTIONS 1919-1948 OF DEBENTURE DEBT BEFORE MATURITY

Years Benefiting	Debt Charges Cancelled—Reducing Taxation			Debt Charges of Toronto Hydro-Electric System and Toronto Transportation Commission Cancelled	Total Debt Charges Cancelled
	Reducing General Tax Rate	Reducing Board of Education Tax Rate	Reducing Total Tax Rate		
1920-1924	\$1,069,297	\$ 21,209	\$1,090,506	\$.....	\$1,090,506
1925-1929	3,530,462	293,377	3,823,839	53,232	3,877,071
1930	651,339	81,075	732,414	183,752	916,166
1931	717,065	102,682	819,747	304,966	1,124,713
1932	678,207	100,987	779,194	213,647	992,841
1933	903,296	123,728	1,027,024	302,499	1,329,523
1934	916,614	128,598	1,045,212	373,506	1,418,718
1935	921,173	138,377	1,059,550	378,681	1,438,231
1936	977,483	147,032	1,124,515	418,738	1,543,253
1937	971,734	164,660	1,136,394	395,096	1,531,490
1938	961,561	174,562	1,136,123	399,968	1,536,091
1939	1,067,785	183,290	1,251,075	355,558	1,606,633
1940	1,192,227	197,107	1,389,334	404,327	1,793,661
1941	1,106,945	208,292	1,315,237	419,948	1,735,185
1942	1,097,479	243,476	1,340,955	294,605	1,635,560
1943	1,077,543	254,733	1,332,276	236,969	1,569,245
1944	916,958	266,917	1,183,875	194,139	1,378,014
1945	861,360	249,641	1,111,001	206,373	1,317,374
1946	901,711	231,094	1,132,805	222,264	1,355,069
1947	1,146,619	303,305	1,449,924	268,212	1,718,136
1948	1,116,976	288,369	1,405,345	176,827	1,582,172
1949	471,840	67,734	539,574	158,322	697,896
1950-1954	1,306,894	113,527	1,420,421	465,116	1,885,537
1955-1959	509,550	73,427	582,977	.....	582,977
1960-1963	83,244	59,734	142,978	.....	142,978
1920-1963	\$25,155,362	\$4,216,933	\$29,372,295	\$6,426,745	\$35,799,040



FRONT VIEW

GRANDSTAND, CANADIAN NATIONAL EXHIBITION

ERECTED 1948 AT APPROXIMATE COST OF \$3,600,000.00

SEATING CAPACITY 24,000



REAR VIEW

CANADIAN NATIONAL EXHIBITION ASSOCIATION

COLONEL K. R. MARSHALL, C.M.G., D.S.O.—PRESIDENT 1949

ELWOOD A. HUGHES, O.B.E.—GENERAL MANAGER

Appointed—April 15th, 1934

The Canadian National Exhibition Association is composed of representatives of every branch of agriculture, commerce and industry throughout the Dominion, while the City is represented on the Board of Directors by the Mayor and seven members of the City Council.

The Exhibition grounds consist of 350 acres located well within the city limits and extending a mile and a half along the shores of Lake Ontario. The buildings, which include approximately twenty-five permanent structures chiefly of stone, steel, brick and concrete construction, are connected by fourteen miles of paved roadways. Many of the buildings have a floor area ranging from 50,000 to over 100,000 square feet. Special mention should be made of the new Grandstand which first became available for use in 1948. This structure, constructed at a cost of approximately \$3,600,000, has a seating capacity of 24,000 and in addition to considerable exhibit space includes two large dining rooms.

With the exception of the years 1942-1946, when the buildings and grounds were in use by the armed forces, the Exhibition has been held annually since 1879, and in 1948 the attendance of 2,612,000 exceeded that in any previous year.

All capital expenditures, after approval by the City Council, are financed by the issue of City of Toronto debentures and the annual operating surplus is paid over to the City. From the statement hereunder it will be noted that in addition to covering all debt and maintenance charges incidental to the buildings and 50% of the maintenance cost of the grounds, the surplus from 1948 operations supplemented the general revenues of the City by \$39,162.13.

CANADIAN NATIONAL EXHIBITION—CITY'S ACCOUNT

(Not including Royal Agricultural Winter Fair Buildings, See Page 43)

For the Year ended December 31st, 1948

Expenditure		Revenue	
Maintenance of Buildings and Grounds (Includes \$43,871.51—50% of cost of maintenance of Exhibition Grounds).....	\$107,005.25	Operating Surplus received by City.....	\$316,173.85
Debt Charges:		Province of Ontario—	
Met by City from oper- ating surplus received from C.N.E.....	\$170,006.47	Annual Grant of one-half debt charges under B.L. 13711— Horse Palace.....	26,151.25
Met by Provincial Gov- ernment (See Contra)....	26,151.25		
Net Revenue to City for 1948.....	39,162.13		
	\$342,325.10		\$342,325.10

DEBENTURE DEBT—December 31st, 1948

Gross Debenture Debt incidental to Exhibition Buildings, etc.....	\$3,675,200.00
Less: Sinking Fund on hand for redemption of debt.....	170,265.57
Net Debenture Debt.....	\$3,504,934.43

ROYAL AGRICULTURAL WINTER FAIR ASSOCIATION

JOHN W. McKEE—PRESIDENT, 1949

C. S. McKEE—GENERAL MANAGER

Appointed—June 1st, 1949

Membership in the Royal Agricultural Winter Fair Association includes approximately 400 representatives of the Dominion and Provincial Governments, the City of Toronto, agricultural and livestock associations, meat packing and other industries in Canada.

City of Toronto debentures were issued from time to time to cover the cost of the various buildings which were erected at a cost of three and one-half million dollars and occupy a floor area of twenty-five acres. While debenture principal and interest charges with respect to the original building (Coliseum), erected about 1921, are being met annually from the City's general revenues, such charges with respect to the Livestock Building, erected in 1927 and now unencumbered by debt, were met by the Dominion and Ontario governments.

The Fair, recognized as one of the most outstanding agricultural and pure-bred livestock exhibitions, was held until 1939 in November of each year. With the outbreak of War in September, 1939, however, the several large permanent buildings were required for the balance of that year and during the subsequent six years for the billeting and training of troops, with the result that the annual Fair was not held in that period.

Though considerable work was required in the alteration and renovation of the interior of the buildings and in the installation of special equipment, it was found possible to resume the holding of the annual Fair in November, 1946. The number of entries in each of the years 1947 and 1948 (approximately 17,000, by more than 3,000 exhibitors throughout Canada and many states of the U.S.A.) were the largest in the history of the Fair. In the past three years new high levels of attendance were established and the international character of the Horse Show was maintained by entries of army officers' teams in one or more of those years from the United States, Mexico, France, Peru, Irish Free State and Canada.

ROYAL AGRICULTURAL WINTER FAIR—CITY'S ACCOUNT

(COLISEUM AND LIVESTOCK BUILDINGS)

For the Year ended December 31st, 1948

Expenditure		Revenue	
Coliseum and Livestock Buildings:		Rental received from Canadian National Exhibition for use of Coliseum.....	\$ 12,000.00
Maintenance.....	\$ 54,071.08	Net cost of buildings to City for 1948.....	104,648.17
Debt Charges.....	62,577.09		
	\$116,648.17		\$116,648.17

DEBENTURE DEBT—December 31st, 1948

Debenture Debt—Serial Instalment Debentures maturing 1949 to 1952.....	\$205,000.00
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TORONTO MUNICIPAL ABATTOIR AND COLD STORAGE

EARL E. HUNT—COMMISSIONER

Appointed—May 15th, 1933

This service was inaugurated August 4th, 1914, to the end that the many small slaughter houses located throughout the City at that time might be eliminated, together with their attendant disagreeable features, and that the slaughtering of food animals could be centralized in a modern sanitary building, and all products more readily and efficiently inspected under the Meat and Canned Foods Act, supervised by the Dominion Government Department of Agriculture. The large cold storage plant is at the service of the citizens at all times, and food products in any quantity are accepted for storage at reasonable rates.

From the statement hereunder it will be seen that revenues in 1948 covered all operating expenditures, including principal and interest charges with respect to debenture debt, and in addition provided a surplus of \$55,819.99 for application against general City expenditures. It may be noted that though the comparable surplus in 1947 was approximately the same the provision of \$91,579.30 in that year for special renovations and improvements required a further amount of \$36,228.01 from the general revenues of the City.

MUNICIPAL ABATTOIR REVENUE AND EXPENSE

For the Year Ended December 31st, 1948

Expenditure		Revenue	
Operation and Maintenance.....	\$189,408.44	Profit on merchandise sold; killing, cooler and cold storage charges, rentals, etc.....	\$260,894.79
Debt Charges.....	15,666.36		
Surplus for Year.....	55,819.99		
	\$260,894.79		\$260,894.79

DEBENTURE DEBT—December 31st, 1948

Debenture Debt—Serial Instalment Debentures maturing 1949 and 1950.....	\$ 29,000.00
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WATERWORKS

The waterworks system has been municipally owned and operated since 1873. The administration, operation and property of the system are under the control of the Commissioner of Works, while the financing and the collection of revenue are directed by the Commissioner of Finance. All maintenance and operating charges and all debt charges (principal instalments, sinking fund levies and interest) are provided from revenues derived and the annual surpluses are applied in abatement of general taxes.

The revenue for the year 1948 was derived as follows:

Tariff (flat rate).....	\$1,580,618	34.02%
Meter Rates.....	2,897,378	62.37%
Fire Protection (\$20 per Hydrant).....	165,560	3.56%
Rentals.....	2,160	.05%
Total Revenue.....	\$4,645,716	100.00%

While the revenue from meter rates is more than half of the total revenue of the waterworks system, the following division of accounts indicates that the number of customers so supplied represents only 6.51% of the total customers of the system.

Tariff (or flat rate) accounts.....	123,684	93.49%
Meter accounts.....*	8,618	6.51%
	132,302	100.00%

*Includes 3,155 water meters privately purchased and owned by customers and 5,463 water meters installed and owned by City.

It should be noted that the large revenue from meter rates in relation to the number of customers on meter is due to the fact that large commercial, industrial, and certain adjacent municipal corporations, with respect to which the determination of an equitable tariff charge is practically impossible, are supplied through City-owned meters.

WATERWORKS REVENUE AND EXPENSE

For the Year Ended December 31st, 1948

Expenditure		Revenue	
Operation and Maintenance.....	\$1,757,394.08	Water Rates:	
Rating and Revenue Collection.....	168,169.47	Water Takers.....	\$4,408,454.84
Charge in lieu of taxes....	140,806.66	City Service.....	235,101.62
General Administration Charge	91,433.00		
Debt Charges.....	1,436,529.17	Sundry Rentals.....	2,159.88
Surplus for Year.....	1,051,383.96		
	\$4,645,716.34		\$4,645,716.34

DEBENTURE DEBT—December 31st, 1948

Debenture Debt—Serial Instalment Debentures maturing 1949 to 1970.....	\$10,986,298.60
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TORONTO HARBOUR COMMISSIONERS

Commissioners

W. H. BOSLEY, O.B.E., CHAIRMAN

M. D. KINSELLA, M.D., C.M., F.A.C.S.

LUTHER F. WINCHELL

CHARLES S. MORROW

GEORGE A. WILSON

F. R. SCANDRETT, B.A.Sc., GENERAL MANAGER

E. L. COUSINS, C.B.E., C.E., CONSULTANT

The Toronto Harbour Commissioners' Act (1911), a special statute of the Dominion Government, provides for the appointment of five Commissioners to administer and develop the Port and Harbour of Toronto and the waterfront properties deeded to them by the City. Three of the five Commissioners are appointed by the City Council and two by the Dominion Government, one of the latter upon the recommendation of the Toronto Board of Trade. The statute authorizes the Commissioners to borrow money by the issuance of debentures for the purposes of reclamation work and general improvements.

Special statutes of the Province of Ontario Legislature (1911, 1913 and 1938) authorize the City to guarantee all debentures issued by the Harbour Commissioners. Before doing so, however, the City Council requires that the capital expenditures involved shall meet with its approval.

DEBENTURE DEBT (Guaranteed by City of Toronto)

As at December 31st, 1948

Year of Maturity	Coupon Interest Rate	Amount	Year of Maturity	Coupon Interest Rate	Amount
1949	1 1/2%	\$ 80,000	Brought Forward.....		\$9,294,000
"	2 1/2%	337,000	1956	2 1/4%	500,000
"	3%	468,000	"	3%	275,000
1950	1 1/2%	100,000	1957	2 1/4%	500,000
"	2 1/2%	62,000	"	3%	275,000
"	3%	743,000	1958	2 1/2%	500,000
1951	1 1/2%	120,000	"	3 1/4%	275,000
"	2 1/2%	63,000	1959	2 1/2%	500,000
"	3%	743,000	"	3 1/4%	275,000
1952	1 1/2%	140,000	1960	2 1/2%	500,000
"	2 1/2%	63,000	"	3 1/4%	275,000
"	3%	743,000	1961	2 1/2%	500,000
1953	2 1/4%	150,000	"	3 1/4%	275,000
"	2 1/2%	63,000	1962	2 1/2%	500,000
"	3%	743,000	"	3 1/4%	275,000
"	4 1/2%	1,000,000	1963	2 3/4%	600,000
"	5%	2,000,000	1964	2 3/4%	600,000
1954	2 1/4%	500,000	1965	2 3/4%	600,000
"	2 1/2%	63,000	1966	2 3/4%	600,000
"	3%	275,000	1967	2 3/4%	600,000
1955	2 1/4%	500,000	Total.....		\$17,719,000
"	2 1/2%	63,000			
"	3%	275,000			
Carried Forward.....		\$9,294,000			

The City, under its guarantee, has met debt charges of \$16,674,648 to December 31st, 1948 and will continue this policy until Harbour revenues are sufficient to fully meet such obligations. As against this outlay, the City, from 1912 to 1948, inclusive, has derived approximately \$17,432,484 in taxes from occupied Harbour properties. In addition, the Harbour Commissioners, during the same period, paid local improvement taxes of about \$2,172,844.

The assessed value of occupied Harbour properties including land, building and business assessments, was approximately \$31,262,868 at the end of 1948.

CIVIC AIRPORTS AT TORONTO ISLAND AND MALTON

Pursuant to a decision of the City Council in 1937, two Municipal Airports were established: (a) the Island Airport as a combined airport and seaplane base, and (b) an all-weather Airport at Malton, approximately 17 miles northwesterly from the Union Station; the construction work and administration of the airports being conducted by The Toronto Harbour Commissioners. The original expenditures for the airports at the Island and Malton totalled \$1,951,345, of which the City of Toronto contributed \$986,779, the Dominion Government \$514,566 and the Provincial Government \$450,000.

The Island Airport (officially named "Port George VI, Toronto Island Airport"), comprising 177 acres, is an "all way" field having four flightways 3,000 feet long and 500 feet wide, two of which have been paved to a width of 150 feet for their full length. The Airport is equipped with an administration building, hangars, field lighting system, seaplane ramp, low dock and passenger float.

The Malton Airport site (officially named "Bishop Field, Toronto Airport, Malton"), comprising 1,444 acres, was acquired for airport and zoning purposes, the objective being to use some of the zone-controlled areas for industrial development. Provision was made for flightways covering eight points of the compass, 9,000 feet long and 1,000 feet wide with permissible paved runways 5,000 feet in length and upwards.

The operation of the Airport proper was continued throughout 1948 by the Dominion Government under the lease granted to the Crown by the City of Toronto in 1941 whereby the Government took over the operation and general maintenance of the Airport, leaving the City free to secure revenue from fees for testing aircraft at the Airport and also from zone-controlled areas adjoining the Airport proper.

Various properties surrounding the Airport proper and which were acquired by the City of Toronto for airport zoning were leased during the year. These included farm lands and house premises. In addition, property acquired for airport zoning was sold for aircraft industrial sites prior to 1948.

The Airport is equipped with an administration building, field lighting system, meteorological offices, radio, etc. Work on the Instrument Landing System was completed early in the year and it is now in full use.

Three runways have been paved to a length of 5,000 feet and a width of 150 feet each. One of these runways, "C", is now being reconstructed in concrete by the Dominion Government and extended to 6,000 feet in length and 200 feet in width.

Air service between Toronto and principal Canadian and American cities is provided by regular scheduled flights of Trans-Canada Air Lines and American Airlines to and from this Airport.

CIVIC AIRPORTS REVENUE AND EXPENSE

For the Year Ended December 31st, 1948

Expenditure		Revenue	
Debt Charges (Island and Malton Airports).....	\$67,357.92	Malton Airport (Service Fees, etc., less Expenses)...	\$2.17
Island Airport—Operating Deficit.....	21,923.27	Net Cost to City for 1948....	89,279.02
	\$89,281.19		\$89,281.19

DEBENTURE DEBT—DECEMBER 31st, 1948

Debenture Debt—Serial Instalment Debentures, maturing 1949 to 1960.....	\$609,000.00
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TORONTO HYDRO-ELECTRIC SYSTEM

Commissioners

LOFTUS H. REID, CHAIRMAN

BERT MERSON,
Vice-Chairman

H. E. McCALLUM
(MAYOR)

E. M. ASHWORTH, GENERAL MANAGER

Appointed—April, 1924

The Toronto Hydro-Electric System is owned by the City of Toronto, and operated by qualified executives under the direction of the Toronto Electric Commissioners, a body composed of three members—an appointee of the City Council, an appointee of the Hydro-Electric Power Commission of Ontario, and the Mayor (ex-officio member). Power is purchased from the Hydro-Electric Power Commission of Ontario, and in turn sold to consumers for residential, commercial and industrial purposes.

Capital expenditures, after approval by the Hydro-Electric Power Commission of Ontario and by the City Council, are financed by the issue of City of Toronto debentures or by the reinvestment of reserves. The total debentures issued up to December 31st, 1948, amounted to \$34,583,000, of which \$32,163,000 have been redeemed at or before maturity. In addition, funds to the amount of \$1,257,469 are on deposit with the City Treasurer for the retirement of Sinking Fund debentures at maturity, making the net debenture debt of the System, as at December 31st, 1948, \$1,162,531.

The System also provided funds to the amount of \$274,292 for unmatured debt redemption as at December 31st, 1948.

In addition to the capital expenditures financed by the issuance of the above debentures, the Commissioners have reinvested reserves and surplus in further extensions and improvements to the System, with the result that Fixed Assets as at December 31st, 1948, amounted to \$43,579,311.

The System has always been self-supporting and while it does not operate as a profit-creating organization, the rates are designed with a view to stability. During the entire period since the commencement of operations in 1911, the System has met all debt charges (principal instalments, sinking fund levies and interest) and, after providing for the replacement of all equipment at the end of its useful lifetime, a moderate surplus has resulted.

The rates charged for lighting and power (including industrial electric heating) are among the lowest on this continent, the average cost to the consumer for lighting purposes in 1948 being 1.08 cents per Kilowatt hour and for industrial power purposes \$20.29 per horsepower.

See next page for Statements (a) Balance Sheet and (b) Electrical Power Consumed in 1948.

TORONTO HYDRO-ELECTRIC SYSTEM

CONDENSED BALANCE SHEET AS AT DECEMBER 31st, 1948

ASSETS		LIABILITIES		
Fixed Assets.....	\$43,579,310.56	Net Debenture Debt:		
Transmission and Distribution Systems, Lands, Buildings, etc.		Debentures issued by City, less: redeemed to date and 3% Sinking Funds on hand.....	\$ 1,296,132.57	
Current Assets.....	3,777,105.32	Less: Additional Sinking Funds over 3%	133,601.41	\$ 1,162,531.16
Stores and Appliances, Accounts Receivable, Cash on Hand and in Banks, etc.				
Reserve Funds Invested...	12,800,000.00	Current Liabilities.....		1,633,148.85
Dominion of Canada Bonds, Hydro-Electric Power Commission of Ontario Bonds and Province of Ontario Bonds owned.		Accounts Payable, Interest Accrued.		
		Capital Reserves:		
		Depreciation re Fixed Assets.....	\$16,975,358.13	
		Reserve re Debt Redemption	28,655,617.27	45,630,975.40
		Operating Reserves and Surplus....		11,729,760.47
		Reserved for Workmen's Compensation, Public Liability, etc.		
	\$60,156,415.88			\$60,156,415.88
Interest in Hydro-Electric Power Commission.....	33,175,016.07	Interest in Hydro-Electric Power Commission.....		33,175,016.07
Sinking Fund Equity in Hydro-Electric Power Commission of Ontario.		Reserve for Sinking Fund Equity in Hydro-Electric Power Commission of Ontario.		
	\$93,331,431.95			\$93,331,431.95

DISTRIBUTION OF ENERGY CONSUMED IN 1948

	Kilowatt Hours
Commercial Power.....	613,000,000
Residential Lighting.....	502,000,000
Commercial Lighting.....	258,000,000
Street Railway.....	164,000,000
Municipal (including Street Lighting and Waterworks).....	103,000,000
Total Current Consumed.....	1,640,000,000

TORONTO TRANSPORTATION COMMISSION

Commissioners

WM. C. McBRIEN, CHAIRMAN

WM. CROFT, VICE-CHAIRMAN

W. G. RUSSELL

H. C. PATTEN, GENERAL MANAGER

Appointed—December 20th, 1938

By a special Act of the Ontario Legislature in 1920: (a) The City of Toronto was empowered to transfer, by by-law, the control, maintenance, operation, and management of all transportation facilities owned or acquired by the City to the Toronto Transportation Commission; (b) such Commission to be composed of three Commissioners appointed by the City Council for a period of at least three years, members of Council not being eligible for appointment; (c) and fares must be sufficient to make all transportation facilities self-sustaining after providing for maintenance, renewals, depreciation and debt charges.

In 1921 at the expiration of the franchise, the City acquired the assets of the Toronto Railway Company, and upon authority of the above Act transferred control of this property and other City-owned car lines to the Toronto Transportation Commission.

Capital requirements for buildings, equipment and extensions, after approval by the City Council, are provided by the issue of City of Toronto Debentures, but since 1924 all new capital expenditures have been provided by reinvestment of the earned reserves of the Commission. The following debenture debt has been issued to date for transportation purposes, the debt charges with respect to which are met by the Commission:

Year of Issue	Purpose of Issue	Amount Issued
1911-1917	Construction and Equipment of Civic Car Lines.....	\$ 2,502,341
1921-1924	Acquisition of assets of Toronto Railway Company; and rehabilitation and extension of unified System....	39,874,000
1922-1927	Radial Railways.....	1,686,000
	Island Ferry Service (assumed as of January 1st, 1948)	50,000
	Original Amount of Debentures Issued.....	\$44,112,341
	Deduct: Debentures redeemed at or before maturity.....	37,881,341
	Debenture Debt December 31st, 1948 (Serial Instalment Debentures maturing 1949 to 1953).....	\$ 6,231,000
	Deduct: Funds paid to City at end of 1948 for Redemption of Debentures due January 1st, 1949.....	*16,000
	Net Debenture Debt as at December 31st, 1948.....	\$ 6,215,000

*Additional funds of \$807,416.67 for redemption of debt due in 1949 (accrued) had been provided by the Commission.

Continued on next page

Further extensions have been financed by the reinvestment of reserves, with the result that land, buildings, rolling stock, track work and other fixed assets had an aggregate original investment value of \$66,459,070 as at December 31st, 1948. In this total is included \$6,166,889, the value of motor coaches and other fixed assets of the Gray Coach Lines, Limited, a fully-owned subsidiary of the Commission, operating in the City and to surrounding communities. At the present time the Commission owns 226 miles of track, 954 rail passenger cars, 85 trolley coaches, 577 buses and motor coaches, 66 rail service cars, 63 motor service vehicles and 5 passenger ferry boats, 2 motor launches and 2 freight boats.

TORONTO TRANSPORTATION COMMISSION

CONDENSED BALANCE SHEET AS AT DECEMBER 31st, 1948

ASSETS		LIABILITIES	
Fixed Assets	\$66,459,070.29	Net Debenture Debt	\$ 6,215,000.00
<i>Trackwork, Rolling Stock, Electrical System, Motor Buses, Land, Buildings, etc.</i>		<i>Debentures issued by City of Tor- onto less amount redeemed to date.*</i>	
Invested Funds	15,340,311.73	Reserve for Depreciation	46,537,857.33
<i>Government and Municipal Bonds owned.</i>		Other Reserves and Surplus	30,463,162.04
		<i>For Workmen's Compensation and Public Liability, Foreign Ex- change, Outstanding Tickets, etc.</i>	
Current and Working		Current Liabilities	3,351,967.86
Assets	4,768,605.21	<i>Accounts Payable, Interest Accrued.</i>	
<i>Cash, Advances to Conduc- tors and Agents, Accounts Receivable, Stores and Pre- paid Expenses.</i>			
	\$86,567,987.23		\$86,567,987.23

*\$807,416.67 additional funds provided for accrued portion of debt due in 1949 are included in Current Assets.

The Commission has a modern system of transportation with the latest type of steel street cars, electric trolley coaches and buses, completely equipped car houses, garages and shops for repair and maintenance; has adequately provided for depreciation and reserves for all operating contingencies; and has met all debt charges (principal instalments, sinking fund levies and interest charges) on debenture debt. This very satisfactory record has been accomplished on an average fare of slightly over 6 cents (with free transfer privileges), one of the lowest on this continent for cities of over 50,000 population.

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Toronto. Finance Dept.
Report of the commissioner
of finance

1948

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